THE WALL STREET JOURNAL.

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What's News

Business & Finance

The FTC said it is seeking to block Amgen's $27.8 billion acquisition of Horizon Therapeutics, in a rare effort by antitrust enforcers to prevent a merger of pharmaceutical companies. **A1**

◆ **China's post-Covid** growth spurt is sputtering and its youth unemployment rate hit a record, signaling trouble for a recovery that was expected to boost the global economy. **A1**

◆ **Home Depot executives** said spending on home improvements has cooled sharply, prompting the retailer to warn that its annual sales will decline for the first time since 2009. **A1**

◆ **Consumers boosted** their retail spending in April for the first time in months, a sign of continued resilience despite high inflation and rising interest rates. **A2**

◆ **A court ordered** Theranos founder Holmes and her former deputy, Balwani, to pay $452 million in restitution to investors, and a different court said Holmes can't stay out of prison pending her appeal. **B1**

◆ **Major U.S. stock indexes** declined, with the S&P 500, Dow industrials and Nasdaq losing 0.6%, 1% and 0.2%, respectively. **B11**

◆ **Federal Reserve officials** squared off over whether the central bank would need to raise interest rates at its meeting next month to combat inflation. **A2**

◆ **Musk teased** two new Tesla models at the company's annual meeting, while forecasting a challenging year for the carmaker. **B1**

World-Wide

◆ **Biden will cut short** a planned overseas trip to focus on striking a deal to avoid the country's first-ever default, as party leaders remained at odds following a meeting at the White House over potential spending cuts. **A4**

◆ **Washington was** assessing potential damage to a Patriot air-defense system sustained during a Russian missile assault on Kyiv, according to a U.S. official. **A8**

◆ **Ukraine detained** its top judge over an alleged $2.7 million bribe as it seeks to show its citizens and Western backers that it can clamp down on high-level corruption. **A8**

◆ **OpenAI's chief**, in an appearance before a Senate panel, called on Congress to create licensing and safety standards for advanced artificial-intelligence systems. **A3**

◆ **The former chief** of Silicon Valley Bank and two former executives from Signature Bank drew criticism from senators at a hearing on Capitol Hill. **A6**

◆ **Pence is taking** more concrete steps toward running for the GOP presidential nomination, including supporting the launch of a super PAC to back a potential bid. **A4**

◆ **An IRS agent has been** removed from the tax investigation into Hunter Biden, the agent's lawyers told lawmakers this week, after claiming to have evidence of political interference in the inquiry. **A4**

◆ **North Carolina's** Republican-led legislature overrode the governor's veto of a bill banning most abortions after 12 weeks of pregnancy. **A3**

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Stars Shine as Douglas, Deneuve Open Cannes Film Festival

VALERY HACHE/AGENCE FRANCE-PRESSE/GETTY IMAGES

LEGENDS: Michael Douglas received an honorary Palme d'Or and was joined later by French actress Catherine Deneuve, seen on the official poster in a 1968 photo, on Tuesday to kick off the 76th Cannes Film Festival on the French Riviera.

China's Jobs, Spending Data Point to Weakening Recovery

BY STELLA YIFAN XIE

HONG KONG—China's post-Covid growth spurt is sputtering and its youth unemployment rate hit a record, signaling trouble for a recovery that was expected to boost the global economy.

A bundle of economic indicators for April, including retail sales, factory production and fixed-asset investment, fell short of economists' expectations, according to data released Tuesday by China's National Bureau of Statistics. Investment in the country's property sector also dropped in the first four months of the year.

One of the most dramatic data points was the unemployment rate for Chinese people between 16 and 24 years old, which rose to a record of 20.4% last month. That has steadily increased from 16.7% at the end of last year.

Taken together, the data point to slowing momentum for growth in China, adding to uncertainty for a global economy that is already facing headwinds from banking turmoil, inflation and fallout from the war in Ukraine. The numbers add to mounting evidence that China's recovery won't drive global growth as strongly as it has in the past.

The recovery so far has been powered mainly by a burst of pent-up demand for travel, dining out and other services after nearly three years of strict pandemic restrictions that came to an end late last year.

Economists are particularly concerned about conditions in the labor market, a major determinant of consumer confidence after three years of pandemic measures and travel restrictions took a toll on people's willingness to go out and spend.

The persistently elevated levels of joblessness among the younger generation—the

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◆ China's demand for oil surges to record........................ B7

FTC Sues To Block Amgen's Deal for Horizon

Agency worries that the $27.8 billion tie-up could limit competition in eye and gout drugs

BY DAVE MICHAELS AND JOSEPH WALKER

The Federal Trade Commission said it is seeking to block Amgen's $27.8 billion acquisition of Horizon Therapeutics, in a rare effort by antitrust enforcers to prevent a merger of pharmaceutical companies.

The FTC filed a lawsuit on Tuesday in federal court seeking an injunction that would prevent the deal from closing. A federal judge would need to approve the injunction. That is part of a two-step legal process the agency typically uses to prevent mergers it believes are illegal.

Amgen said it was disappointed by the FTC's decision but doesn't believe a merger presents any competitive issues and will work to close the deal by mid-December. Horizon said the deal would accelerate the availability of rare-disease drugs worldwide.

Under Chair Lina Khan, the FTC has taken a stricter stance on deals generally, saying antitrust enforcers in the past several decades shied away from challenging many deals, allowing firms in technology, health-care and other industries to amass excessive market power.

Drug companies facing anti-

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Trend of Employees Returning To Offices Is Stalled

BY PETER GRANT

When average city office-occupancy rates at the start of the year surpassed 50% for the first time during the pandemic, many landlords viewed this milestone as a sign that employees were finally resuming their former work habits.

Those office-usage rates barely budged as most companies settled into a hybrid work strategy that shows little sign of fading.

About 58% of companies allow employees to work a portion of their week from home, according to Scoop Technologies, a software firm that developed an index monitoring workplace strategies of close to 4,500 companies. The number of companies that require employees to be in the office full time has actually declined to 42%, from 49% three months ago, Scoop said. Employees at companies with hybrid strategies work an average of 2.5 days a week in the office. As long as unemployment remains low, workers have the leverage to entrench these policies, said Robert Sadow, Scoop's chief executive and co-founder.

"Employees are saying we are going to push really, really hard against being required to be in the office five days a week," Mr. Sadow said. "Most companies in the current labor market have been reluctant to push [back] that hard."

Frustration is growing in cities that are suffering from declining real-estate values, setting the stage for lower property-tax revenue and pressuring bars, restaurants and other small businesses that rely on five-day-a-week office

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◆ Distressed sales in the office sector are rising.................... B6

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SPORTS
An analytics site helps show growing schism between the PGA Tour and LIV Golf. **A16**

BUSINESS & FINANCE
Small businesses are putting hiring plans on ice, wary of the economy. **B1**

Affluent Nations Bid For Foreign Workers

U.S., divided over immigration, is an outlier

BY TOM FAIRLESS

Migration to affluent countries is at record highs, and some nations short of workers are overcoming political opposition to open their borders even wider, hoping to fill jobs and ease inflation.

Government actions to attract foreign nationals for skilled and unskilled jobs have spread from Germany to Japan and include countries with longtime immigration restrictions and some with a populist antipathy to streams of foreign workers.

The U.S. remains an outlier. Hundreds of thousands of migrant workers have arrived through back channels, but the country isn't openly welcoming more legal workers, despite the tight labor market. That hesitancy carries economic costs, including persistent worker short-

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That Goldendoodle Has a More Expensive Haircut Than You Do

* * *

Owners of popular pooches juggle upkeep and hard-to-land appointments

BY ALINA DIZIK

Joy Claire admits it—her dog's grooming takes precedence over her own.

Each month, she takes her 60-pound goldendoodle for a five-hour salon makeover that includes a wash, blow dry, nail trim and blueberry facial to get rid of tear stains. Penelope Poodlepants gets the teddy-bear cut, a teased-out coif accessorized with a bow. Ms. Claire pays $250, including tax and tip.

"She's my best friend, so it's always in the budget for her," says Ms. Claire, a cre-

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Home Depot Sales Fall as Consumers Delay Big Projects

BY SARAH NASSAUER AND DEAN SEAL

Many people in the U.S. have finally hit their limits on home improvements after more than a decade of seemingly endless demand for kitchen renovations, laundry machines and power tools.

Executives at Home Depot said such spending has cooled sharply this year, prompting the retailer to warn that its annual sales will decline for the first time since 2009. Homeowners are pinching pennies amid concerns about the economic outlook, and many people have completed most of the projects they wanted to accomplish during the pandemic.

"We saw more pressure across the business compared to what we observed when we reported fourth-quarter results a few months ago," Home Depot Chief Executive Ted Decker said on a call with analysts Tuesday.

Shoppers spent less this spring on big-ticket items such as grills, patio furniture and appliances and reduced the scale of some remodeling projects. Falling lumber prices and poor weather in California also

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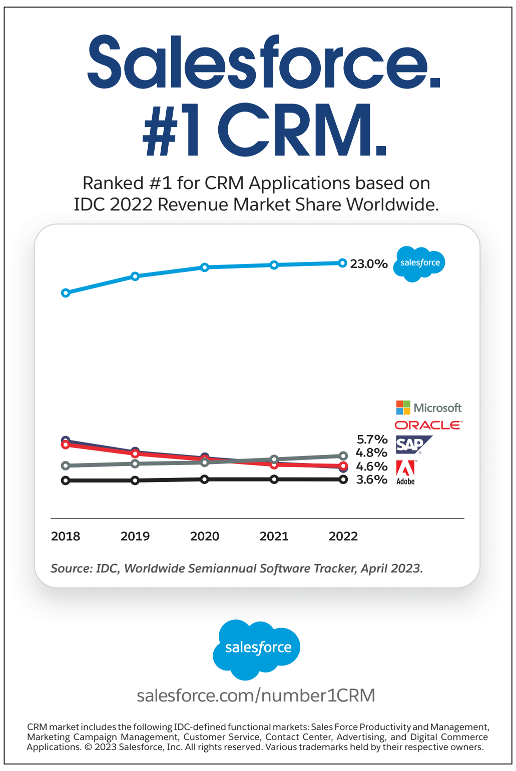
◆ Retail sales in U.S. rise for the first time in months..... A2
◆ Heard on the Street: Home improvements take pause.. B12



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U.S. NEWS

Retail Sales Climb for First Time in Months

Consumers spent more on autos and dining out in April, in new sign of mixed economic picture

By Gwynn Guilford And Sarah Nassauer

SPENCER PLATT/GETTY IMAGES

Consumers showed some resilience in April, with retail sales rising 0.4% from the month before, after falling in February and March.

Americans boosted their retail spending in April for the first time in months, a sign of consumers' continued resilience despite high inflation and rising interest rates.

Retail sales—a measure of spending at stores, online and in restaurants—rose a seasonally adjusted 0.4% last month from the month before, after declining in February and March, the Commerce Department said Tuesday.

Consumers spent more on autos and dining out last month, while boosting online purchases. They cut spending on gasoline and on big-ticket purchases such as appliances and furniture.

"Consumer spending is not about to contract and will instead support at least modest continued economic growth," said Andrew Hollenhorst, chief U.S. economist at Citi.

The retail-sales report offers a partial picture of consumer spending because it doesn't include many services such as healthcare, education, travel, housing and entertainment. The Commerce Department will release the more complete spending report later this month.

Retail sales aren't adjusted for inflation and reflect changes in prices as well as purchase amounts. Retail sales rose 1.6% in April from a year earlier, below the 4.9% inflation rate for the same period.

Consumer spending is the primary driver of U.S. economic growth. Tuesday's retail figures add to a mixed picture of economic health in recent months as the Federal Reserve raised interest rates to fight inflation by slowing the economy. Fed officials earlier this month raised short-term interest rates for the 10th consecutive time, bringing its benchmark federal-funds rate to a 16-year high.

U.S. economic growth slowed in the first quarter and home prices fell in more parts of the country than they have in over a decade. But a solid labor market last month kept unemployment low, job growth solid and wage growth elevated while inflation edged down to its slowest pace in two years. Monthly U.S. manufacturing output rose 1% in April after declining in March, boosted partly by production of autos and auto parts, the Fed said in a separate report Tuesday.

April's modest increase in retail spending may reflect consumers' continued shift from buying large amounts of goods during the worst of the pandemic to paying more on airfares, concert tickets, hair salons and other services. "These trends make sense because the spending binge on goods during the Covid years had to slow sometime, while we're still playing catch-up on socializing with family and friends," said Robert Frick, corporate economist at Navy Federal Credit Union.

Home Depot said Tuesday it expects annual sales to decline for the first time in over a decade as households spend less on home improvement in favor of services. Chief Financial Officer Richard McPhail said customers are also balking at making big-ticket purchases that can be easily deferred.

"We are seeing a more cautious consumer," said Joanne Crevoiserat, chief executive of Tapestry, during a May 11 call to discuss earnings. The company, which owns handbag and apparel brands Coach and Kate Spade, said that sales for North America rose slightly in the most recent quarter and that it expected sales to fall 4% to 6% for the region in the current quarter compared with last year.

Some shoppers are still splurging on pricey wines at Kroger, the nation's largest supermarket chain, or on fancy drinks at the Starbucks locations in the stores, but price-sensitive customers are bargain shopping, Kroger Chief Executive Rodney McMullen said in an interview.

They are buying more of the retailer's store-brand items, which tend to have lower prices, or making more grocery stops each week to find the lowest price, he said. The most price-sensitive shoppers are switching from Kroger to discount or big-box chains.

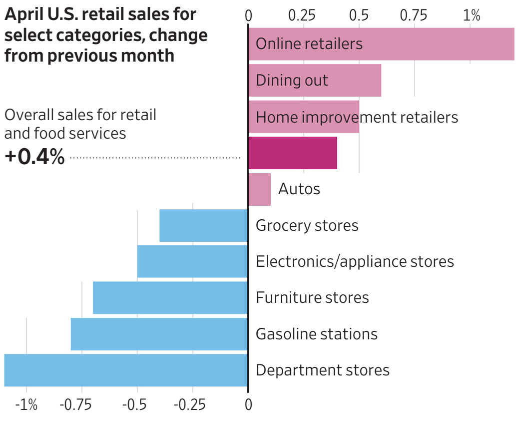
Auto purchases started to rebound in the first quarter as dealers built up inventories after supply-chain constraints faded, with many companies reporting higher sales.

Sales remain strong at the six auto dealerships owned by the Tamaroff Group in the Detroit area despite higher prices and interest rates, said company President Eric Frehsée.

"There's just so much pent-up demand due to all the production constraints over the last few years," he said. He added that high trade-in values for used vehicles are also offsetting the impact of higher interest rates for auto loans.

"As long as rates don't rise rapidly again and used-car pricing stays pretty consistent so the customer has equity to offset interest rates, I don't think it's going to affect sales," Mr. Frehsée said.

—Gabriel T. Rubin and Dean Seal contributed to this article.



Note: Seasonally adjusted
Source: Commerce Department

◆ Heard on the Street: Cars could keep U.S. humming... B12

Officials Debate Pause on Rate Rises

By Nick Timiraos

Federal Reserve officials squared off over whether the central bank would need to raise interest rates at its meeting next month to combat inflation.

The central bank has lifted its benchmark federal-funds rate at its last 10 policy meetings by a cumulative 5 percentage points, most recently by a quarter percentage point on May 3 to a range between 5% and 5.25%, a 16-year high.

The Fed should raise and then hold rates at a level where the next move is equally as likely to be an increase or a decrease, and the central bank isn't there yet because inflation isn't showing enough signs of improvement, Cleveland Fed President Loretta Mester said Tuesday.

"The question in my mind is have we gotten to that rate yet? At this point, given the data we've gotten so far, I would say no," she said during a question-and-answer session after a speech in Dublin. "Different policy makers will have different views about that, but...I need to see more evidence that inflation is still moving down."

Two other Fed officials suggested they were leaning toward holding interest rates steady at the central bank's June 13-14 meeting to study the effects of past moves as well as the impact of three bank failures since mid-March.

Investors on Tuesday saw a 22% chance of an increase next month.

"You don't land the plane nose down," said Chicago Fed President Austan Goolsbee at a conference in Amelia Island, Fla., on Tuesday evening. He earlier said voting for the Fed's last increase was a close call because of his concerns that higher bank funding costs could lead to a slowdown in economic activity that could be harder for the central bank to control.

Speaking on the same panel, Atlanta Fed President Raphael Bostic said he expected it would take time for inflation to come down, in part because interest rates had only recently reached levels that would restrict economic activity. Mr. Bostic said he was inclined to pause rate rises next month because of his concern that continuing to raise rates without allowing more time to assess their impact would lead the central bank to overshoot. The Fed could decide after that whether to raise rates again, he said.

A fourth official, New York Fed President John Williams, didn't tip his hand, but indicated he was comfortable with current market expectations of no increase at the June meeting. Investors in interest-rate futures markets on Tuesday saw a 22% chance of an increase next month, according to CME Group.

Home Projects Decline

Continued from Page One

damped sales, Mr. Decker said.

Home Depot, one of the largest U.S. retailers by revenue, has ridden the boom in housing—even as it operates about the same number of stores as it did more than a decade ago. Its annual revenue has surged from about $70 billion in 2009 to nearly $160 billion in the year that ended in January.

On Tuesday, the chain said it now projects sales to fall between 2% and 5% in fiscal 2023, rather than stay flat as it had predicted in February.

Sales for the most recent quarter also fell more than expected. Revenue declined 4.2% to $37.26 billion in the first quarter, missing Wall Street's forecast for $38.31 billion, according to FactSet.

Many consumers have become less confident in their economic prospects in recent months and pulled back spending as they navigate continued high inflation and elevated interest rates.

Data on the overall health of the U.S. consumer are mixed. Retail sales rose modestly in April, the first increase in three months. Unemployment remains low and many shoppers continue to absorb higher prices for everyday goods such as food and household cleaners. But spending has shifted to necessities and services such as restaurants and away from big-ticket purchases.

The Federal Reserve has raised interest rates aggressively since last year in an attempt to cool the economy and bring down inflation. Other large retailers including Walmart are scheduled to report quarterly earnings later this week.

One closely watched survey of consumer sentiment from the University of Michigan fell 9% this month from April amid concerns about the economy. The survey also showed that consumers' long-run expectations about the economy also weakened from the prior month.

Home Depot benefited earlier in the pandemic from a particularly large profit and sales surge as homebound Americans spent more to upgrade their homes.

Executives knew that trend would cool, said Richard McPhail, the chain's chief financial officer, but it has happened faster than expected in recent months as other factors have made shoppers cautious, including inflation.

Overall, Home Depot's core shoppers, often homeowners, are in good financial health, he said, but "there has been this shift in the consumer psyche."

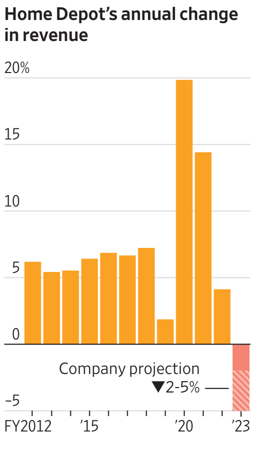
Professionals such as contractors and electricians, who have historically driven about half of Home Depot's revenue, are still reporting healthy backlogs but also finding that homeowners are opting for smaller projects and shifting away from large renovations, Mr. McPhail said. "You may decide to remodel your bathroom, but you might decide not to do it all at once," he said.

He added that some project categories, including building materials and hardware, continued to hold up while others, such as kitchens and flooring, weakened during the quarter.

Overall, Home Depot recorded 4.8% fewer transactions in the first quarter on a relatively flat average ticket size.

On top of its forecast for an annual sales decline, Home Depot now expects earnings to fall between 7% and 13% this year on lower margins. Its prior outlook had called for a drop in the mid-single digits.

Shares in Home Depot were down 2.2% at $282.33 in Tuesday trading. The stock has fallen off its pandemic highs—it rose above $400 in 2021—but is still trading at about 10 times the price it fetched back in 2009.



Note: Fiscal years end late Jan./early Feb.
Sources: S&P Capital IQ; the company

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CORRECTIONS & AMPLIFICATIONS

Berkshire Hathaway maintained its stakes in **Apple**, **Bank of America**, **HP** and **Citigroup** in the first quarter. A Business News article on Tuesday about Berkshire incorrectly said that it increased its stakes in those companies. Berkshire's 13F filings now include holdings that had previously been reported separately by New England Asset Management, a unit of Berkshire's Gen Re insurance business.

Interactive Brokers enabled overnight trading in some individual stocks in April, making it one of the first domestic brokers to do so. A Business & Finance article on Thursday incorrectly said **Robinhood Markets** was set to become the first U.S. brokerage to provide overnight trading in individual stocks.

A U.S. News article on Saturday about Federal Reserve governor Michelle Bowman contained a garbled paragraph. It should have read: But a substantial minority of Fed officials expected rates would need to rise by a further quarter point from current levels if the economy performed in line with their expectations.

Asking rents at the Tides on Gilbert West apartment complex in Mesa, Ariz., fell 1.3% from their 2022 peak, according to the property owner **Tides Equities**. In some May 10 editions, a Property Report article about bonds backed by apartments incorrectly said asking rents declined 20%, based on a figure from a property data provider.

Readers can alert The Wall Street Journal to any errors in news articles by emailing **wsjcontact@wsj.com** or by calling 888-410-2667.

A NOTE TO READERS

Dear Reader,

The Wall Street Journal is eliminating the routine use of honorifics, or courtesy titles, in its news pages, starting with Thursday's edition.

The Journal has been one of the few news organizations to continue to use the titles, under our long-held belief that Mr., Ms. and so forth help us to maintain a polite tone. However, the trend among almost all news organizations and magazines has been to go without, as editors have concluded that the titles in news articles are becoming a vestige of a more-formal past, and that the flood of Mr., Ms., Mx. or Mrs. in sentences can slow down readers' enjoyment of our writing.

For years, we weighed the tradition of using those titles against the need to be attuned to a more modern audience. In the end, we decided that dropping those titles is more in line with the way people communicate. It puts everyone on a more-equal footing and will help make our writing livelier and more approachable.

We aren't abandoning politeness or principle. We strive to be courteous and professional in our engagement with the people we write about. The Journal has held itself to high standards of fairness and impartiality for 134 years and will continue to do so.

Among the nuances and exceptions: Occupational titles such as Gen., Sen. and Dr. (for medical doctors) will still be used, but on first reference only.

This isn't totally new ground. We currently don't use honorifics in WSJ. Magazine, in podcasts or videos. Nor do we use them in sports coverage.

The new policies apply to the news pages; the opinion pages set their own policy.

Emma Tucker
Editor in Chief

Abortion Ban Passes Over Veto In North Carolina

By Laura Kusisto And Jennifer Calfas

North Carolina's Republican-led legislature on Tuesday overrode the governor's veto of a bill banning most abortions after 12 weeks of pregnancy, a sign of the GOP's willingness to adopt tougher abortion restrictions in swing states where it has political power.

Once it takes effect in July, the law promises to further unsettle the national abortion landscape. Since the U.S. Supreme Court overturned Roe v. Wade last June, North Carolina has seen one of the largest influxes of out-of-state patients, many from Southern states that have enacted strict limits on the procedure.

Democratic Gov. Roy Cooper and others in his party lobbied several moderate Republican state lawmakers to vote against overriding the veto, which he issued on Saturday. They pointed to statements a handful of Republicans made in the lead-up to the 2022 election indicating support for the current state law, which allows abortion until the middle of the second trimester. Republicans recently gained a narrow legislative supermajority, giving them the ability to override the governor, but they essentially couldn't afford to lose a single vote.

The Senate on Tuesday voted 30 to 20, along party lines, to override the veto. The House voted 72 to 48, also along party lines.

State Rep. Tricia Cotham switched parties in April after she was elected as a Democrat in November, giving the GOP their supermajority. Last year, the lawmaker said she would fight to protect abortion access in North Carolina, following the leak of a draft Supreme Court ruling that eliminated a federal constitutional right to the procedure. The high court issued its ruling in June. Ms. Cotham voted for the 12-week ban earlier this month and again Tuesday.

The North Carolina GOP recently gained a narrow legislative supermajority.

After the legislature passed the 12-week ban, Mr. Cooper vetoed the bill at an abortion-rights rally and has held roundtables in recent days with doctors, patients and abortion advocates. "How about we leave medicine to the doctors and the decisions to the women," the governor said at the rally.

Republicans have called the legislation a compromise. North Carolina House Speaker Tim Moore, a Republican, said over the weekend that the governor's veto would quickly be overridden. The bill, he said, would "save unborn lives, protect women and support families."

GOP lawmakers bypassed the usual committee and amendment process in crafting the legislation, an approach their Democratic colleagues called undemocratic.

Sen. Sydney Batch, a Democrat, said Republicans struggled for months with internal dissent about the bill from members in more vulnerable districts who didn't want to be forced to vote on abortion legislation.

"They know that when they talk about abortion they lose," she said in an interview.

Antiabortion groups, meanwhile, said the governor's lobbying efforts against the bill were out of step with North Carolina voters. "The governor made it abundantly clear who he was representing by holding a panel with the chief medical officer of Planned Parenthood and the owner of another abortion facility," said Caitlin Connors, southern regional director for SBA Pro-Life America.

The legislation would ban nearly all abortions after 12 weeks of pregnancy, with limited exceptions for rape, incest and serious fetal anomalies.

ChatGPT Creator Issues AI Warning

Calls on Congress to create safety standards, warns the technology 'can go quite wrong'

By Ryan Tracy

WASHINGTON—The chief executive of ChatGPT creator **OpenAI** called on Congress to create licensing and safety standards for advanced artificial-intelligence systems, as lawmakers begin a bipartisan push toward regulating the powerful new artificial-intelligence tools available to consumers.

"We understand that people are anxious about how it can change the way we live. We are, too," Sam Altman said of AI technology at a Senate subcommittee hearing Tuesday, his first appearance before Congress. "If this technology goes wrong, it can go quite wrong."

Mr. Altman called for "a new agency that licenses any effort above a certain scale of capabilities and could take that license away and ensure compliance with safety standards."

In the meantime, he said, OpenAI pre-tests and constantly updates its tools to ensure safety, arguing that making them widely available to the public actually helps the company identify and mitigate risks.

Tuesday's hearing demonstrated the wide-ranging concerns prompted by rapid consumer adoption of AI systems like ChatGPT, the consumer-facing chatbot that rocketed to an estimated 100 million users within two months.

How the technology might affect elections, intellectual-property theft, news coverage, military operations and even diversity and inclusion initiatives were among the topics covered. "It's important to understand that GPT-4 is a tool, not a creature," Mr. Altman said, referring to the most recent version of the system that powers ChatGPT. "And it's a tool that people have great control over."

On the job market, for example, he said the technology "will, I think, entirely automate away some jobs. And it will create new ones that we believe will be much better."

Lawmakers described Tuesday's hearing as a first step in understanding the new AI systems, reflecting the lack of consensus over a congressional response even as members of both parties see a need for federal regulation.

Sam Altman, CEO of OpenAI, testifies at a Senate subcommittee hearing Tuesday, his first appearance before Congress.

WIN MCNAMEE/GETTY IMAGES

"Will we strike that balance between technological innovation and our ethical and moral responsibility?" asked Sen. Josh Hawley (R., Mo.), the top Republican on the Senate Judiciary Committee panel hosting Tuesday's hearing.

Committee Chairman Sen. Dick Durbin (D., Ill.) was one of several senators to compare the rise of AI to the early days of the social-media industry, which grew up with little regulation from Congress.

ChatGPT and similar tools can instantly produce human-like outputs of text, computer code, videos, music and photos based on written prompts.

The session with Mr. Altman is the latest in a series of discussions in Washington. On Monday, Mr. Altman met privately with about 60 House lawmakers from both parties. Earlier this month, he attended a White House sitdown with the chief executives of Google and Microsoft and Vice President Kamala Harris.

At Tuesday's hearing, several lawmakers raised concerns about elections, fretting about how AI systems could be used to spread false information or otherwise manipulate voters.

Sen. Richard Blumenthal (D., Conn.), chair of the subcommittee, started the hearing by playing a fake AI-generated recording of his voice reading an opening statement written by ChatGPT. He marveled at its realism, but also questioned what else it could create.

"What if it had provided an endorsement of Ukraine surrendering or Vladimir Putin's leadership?" he said.

Christina Montgomery, chief privacy and trust officer at IBM, urged lawmakers to be precise in regulating specific uses of AI, rather than the technology itself. "A chatbot that can share restaurant recommendations or draft an email has different impacts on society than a system that supports decisions on credit, housing, or employment," she said in her written testimony.

Ms. Montgomery also said a new government agency isn't necessary to regulate AI—a statement that drew a rebuke from Sen. Lindsey Graham (R., S.C.), the top-ranking Republican on the judiciary committee.

"I don't understand how you could say that we don't need an agency to deal with the most transformative technology, maybe ever," he said.

California Splinters on Joshua Tree Protections

By Talal Ansari

Brendan Cummings, who supports a conservation bill, in Joshua Tree, Calif. Others say the legislation will make it harder to build homes.

JOHN FRANCIS PETERS FOR THE WALL STREET JOURNAL

In Southern California, the fight between housing and the environment has burrowed down to a plant.

Conservationists have for years tried to protect the Western Joshua tree, a twisty plant strewn across the desert landscape, with an unusual request. They sought a threatened-species designation from California that is typically used for rarer plants, saying climate change is a threat.

Local officials say the millions of trees don't need these protections, and the designation would make it harder to build homes.

The Joshua tree, a member of the agave family, has long been a symbol of the Southern California desert. Indigenous people used its leaves for baskets and sandals, and its seeds and flower buds as food. Legend attributes the name to Mormon settlers in the 1800s, who drew inspiration from the biblical Joshua. The plant gained pop-culture status after gracing the cover of U2's 1987 album "The Joshua Tree."

In one town of roughly 22,000 people bordering Joshua Tree National Park, the trees are plentiful. Affordable housing, not so much.

"Virtually every residential lot in the town of Yucca Valley has multiple Joshua trees of various ages, from pups to mature trees," said Curtis Yakimow, the town manager. There are hundreds of thousands of the trees in Yucca Valley's 40 square miles, he estimated. "They're everywhere." Yucca Valley has opposed efforts to safeguard the trees, saying it will make building more costly.

Federal officials declined in 2019 and in March of this year to label Joshua trees a threatened species, while state-level efforts stalled. Now there's a new legislative push—the Western Joshua Tree Conservation Act—by California Gov. Gavin Newsom's administration to protect the trees.

The plant's habitat in California and Nevada extends beyond the protections of Joshua Tree National Park, which drew over three million visitors in 2022. The U.S. Fish and Wildlife Service this year said little of that historical range has been lost.

Environmentalists say the abundance of the trees is deceiving. Hotter, drier conditions are already hurting them, according to Cameron Barrows, a retired conservation biologist at the University of California, Riverside. Dr. Barrows said his research indicates climate change will threaten much of the Joshua tree's habitat by the end of the century. Even inside the national park, the tree could largely disappear, conservation groups say.

Conservationists fear fires are a growing threat to the tree. In 2020, a wildfire in the Mojave Desert burned through 43,000 acres, killing as many as 1.3 million Joshua trees.

Development also poses a threat, according to environmentalists, because around 40% of the plants grow on private land. The Joshua trees could be razed to make way for homes and infrastructure.

Developers have been barred from removing trees from the ground without a permit since state officials agreed to vote on a 2019 petition from the Center for Biological Diversity, a nonprofit conservation group, to list them as threatened.

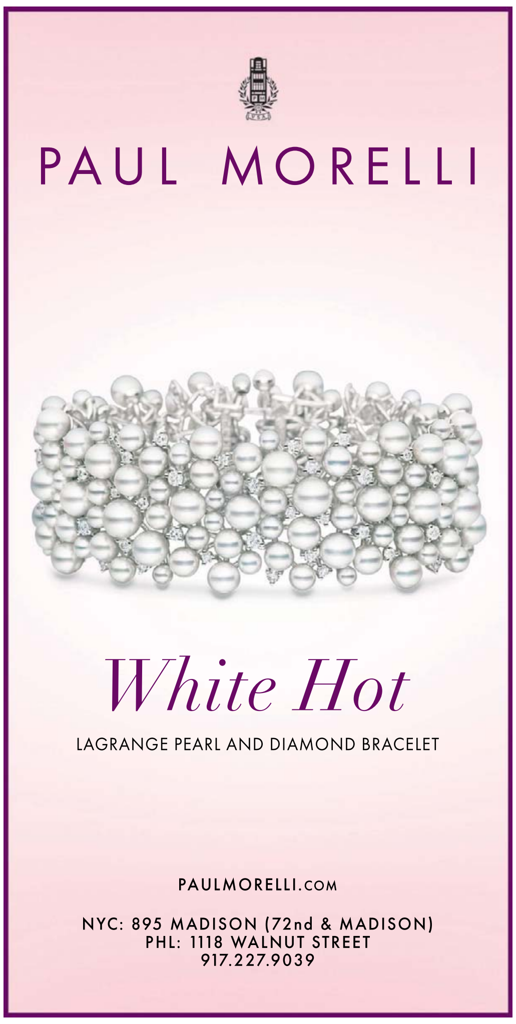
California Department of Fish and Wildlife staffers last year recommended the state opt against the threatened label, saying the species was "abundant and widespread," with between 4.3 million to 9.8 million of the trees in California. California's Fish and Game Commission, a separate agency, in February shelved the petition, citing the Newsom administration's bill.

If it survives budget deliberations, the bill would pass as part of the state's budget package, likely around mid-June. It protects trees while allowing for development, said a spokesperson for Gov. Newsom's administration. It simplifies the process for builders to get a permit to remove trees and requires a fee that would go toward a conservation fund.

"I will happily take this bill," said Brendan Cummings, the conservation director at the Center for Biological Diversity and a resident of Joshua Tree, Calif.

Environmentalists say around 40% of the Western Joshua tree's range is on private land.

Source: United States Fish and Wildlife Service Carl Churchill/THE WALL STREET JOURNAL



EVELYN HOCKSTEIN/REUTERS

President Biden said Tuesday's meeting with top lawmakers in the Oval Office was productive. The U.S. Treasury says the U.S. could face a default as soon as June 1.

Biden Trims Trip Amid Debt Impasse

By Natalie Andrews, Andrew Restuccia and Lindsay Wise

WASHINGTON—President Biden will cut short a planned overseas trip to focus on striking a deal to raise the debt ceiling to avoid the country's first-ever default, as party leaders remained at odds following a meeting at the White House over potential spending cuts.

Following the meeting, Mr. Biden appointed two senior aides—Office of Management and Budget Director Shalanda Young and senior adviser Steve Ricchetti—as lead negotiators. They will hold discussions with Rep. Garret Graves (R., La.), a close ally of House Speaker Kevin McCarthy (R., Calif.) and Republican staff, according to aides.

Mr. McCarthy cautioned that negotiators are still "far apart" but added that the new lane of communication "gives us a structure to be more productive but a short time frame to get it done."

Mr. Biden described the meeting as productive and said there is more work to do.

"I'm confident we're going to continue to make progress toward avoiding default," he said after the meeting. He directed his staff to meet daily with congressional negotiators, and said he planned to talk to the lawmakers by phone later this week and meet again when he returns from his trip, the White House said.

Senate Majority Leader Chuck Schumer (D., N.Y.) characterized the talks as cordial. He said all the leaders in the room agreed that the final deal needed to be bipartisan. "We don't have much time, but default is just the worst alternative," Mr. Schumer said.

The meeting came as progressive Democrats signaled opposition to several proposals in the continuing negotiations and Republicans demanded new work requirements for beneficiaries of government programs.

In a sign of increasing urgency, Mr. Biden is planning to return to the U.S. on Sunday at the conclusion of the Group of Seven meeting in Japan, canceling scheduled stops in Papua New Guinea and Australia.

The president will depart for the trip on Wednesday.

White House and congressional staff have been meeting behind closed doors for several days. But it wasn't clear after Tuesday's meeting between Mr. Biden and the congressional leaders whether significant progress had been made.

On Monday, the Treasury Department reiterated that the U.S. could face a default as soon as June 1 if Congress doesn't raise the debt ceiling, echoing its previous estimate.

In a meeting with Republicans on Tuesday, Mr. McCarthy told his conference to hold together for the next 16 days, according to a person in the room.

Democrats have sought a debt-ceiling increase with no conditions attached, while Republicans want to use it as leverage to cut government spending. If Congress doesn't act and the government is unable to borrow to help pay all of its bills, it might have to suspend certain pension payments, withhold or cut the pay of soldiers and federal workers, or delay interest payments, which would constitute a default.

Staff-level talks have centered on several subjects on which Democrats and Republicans might be able to find agreement. Among them: clawing back unspent Covid-19 funds, speeding up the permitting process for energy projects, capping spending and imposing stricter work requirements on some government programs.

But negotiators are divided on the details.

Lawmakers are also haggling over how long or for how much to raise the debt ceiling.

Republicans set the date for March 2024 in the bill they passed in April, while Democrats want to delay it until after the presidential election.

"I don't see how we kick the can down the road for anything less than two years," Democratic Caucus Chair Pete Aguilar (D., Calif.) said. "We've been down this road before. There's no sense in having anything tied to an early spring or 2024 date."

Republicans want to see a 10-year spending-caps agreement, while the White House has signaled openness to a two-year deal, according to people familiar with the matter.

Washington has a little more than two weeks to complete a deal.

The House and Senate are only in session at the same time for four days this week. Then both chambers will stagger their Memorial Day recess, making convening to vote on a final deal difficult.

◆ Default fears pressure Treasury bills.......... B1

Overhauling Energy Permitting Is Heavy Lift

By David Harrison

The bipartisan debt-ceiling talks have raised the prospect that an agreement could include a provision to ease the federal permitting process, potentially resolving one of Capitol Hill's thorniest policy problems and speeding the construction of energy projects.

Participants in the talks said Tuesday that permitting is one of the topics under consideration, along with spending caps, clawing back unspent Covid-19 requirements and additional work requirements for benefits programs.

Speeding up permitting "will help America build and help us compete around the world," said House Speaker Kevin McCarthy (R., Calif.).

His top deputy on the debt-ceiling talks, Rep. Garret Graves (R., La.), has said permitting is an issue where Democrats and Republicans should be able to find a consensus.

But two weeks isn't much time to smooth over differences over some of the more technical points. And some lawmakers, such as Delaware Democratic Sen. Tom Carper, who chairs the Senate Environment and Public Works Committee, are reluctant to see their long-running work on permitting legislation sucked into the debt talks.

CHARLES MOSTOLLER/REUTERS

Permitting for the natural-gas Mountain Valley Pipeline is a priority for Sen. Joe Manchin.

Democrats, Republicans, business groups and environmentalists all agree that the process for getting federal permits for energy projects is too time-consuming and cumbersome. They also agree on some possible fixes, such as the need for federal agencies to better coordinate their environmental reviews and to make more frequent use a less rigorous type of environmental study.

But there are significant differences to overcome.

Many Democrats want permitting changes to focus on renewable energy while Republicans want oil and gas projects to benefit from speedier approvals as well.

A priority for Democrats is giving the Federal Energy Regulatory Commission more authority to determine where long-distance power lines should go and who should pay for them. Right now, those decisions are mostly made by states.

Republicans want to impose two-year timelines for completing environmental reviews and limit opponents' ability to use the courts to slow down projects. Republican proposals also limit the scope of the reviews.

In between is Sen. Joe Manchin (D., W.Va.) whose proposal is intended to appeal to both sides. Mr. Manchin's bill would allow developers to sue if reviews last longer than two years. It would impose time limits on lawsuits. And it would grant FERC some additional authority to determine where transmission lines should go.

It would also expedite the permits for the Mountain Valley Pipeline, a roughly 300-mile natural gas pipeline in West Virginia and Virginia that has generated opposition in some communities along the way.

Agent Says He Was Pulled From Hunter Biden Probe

By C. Ryan Barber

WASHINGTON—An IRS supervisory agent has been removed from the tax investigation into President Biden's son, Hunter Biden, the agent's lawyers told lawmakers this week, after claiming to have evidence of political interference in the criminal inquiry.

In a letter to House and Senate leaders, lawyers for the Internal Revenue Service supervisor said "his entire investigative team" had also been removed from the inquiry, in what they suggested was retaliation. The supervisor, who is seeking whistleblower protections, was informed that the change was made at the request of the Justice Department, according to a copy of the letter obtained by The Wall Street Journal.

While the letter doesn't name Hunter Biden, referring to an investigation into an unidentified "high-profile, controversial subject," the Journal previously confirmed the claims concern the inquiry into the president's son.

The lawyers sent the letter to congressional leaders on Monday, a month after the IRS supervisor first told lawmakers he had information that the Biden administration was improperly handling the investigation into the president's son. The long-running investigation has come to focus in recent years on the younger Mr. Biden's taxes and whether he made a false statement in connection with a 2018 gun purchase.

Investigators have believed for months that they have enough evidence to bring charges against Hunter Biden, the Journal has reported. He has said he handled his affairs legally and appropriately.

The letter came just weeks after Hunter Biden's legal team met with Justice Department officials about the investigation, an indication that federal prosecutors are nearing a decision on whether to charge the president's son.

In testimony before the Senate Judiciary Committee, Attorney General Merrick Garland said David Weiss, the Trump-appointed U.S. attorney handling the probe, has broad independence to pursue charges.

A Justice Department spokesman declined Tuesday to comment on the IRS supervisor's letter. Pointing to Mr. Garland's testimony on March 1, the spokesman said Mr. Weiss has "full authority to make investigative decisions and to bring charges in any jurisdiction as he deems appropriate."

A spokeswoman for Mr. Weiss declined to comment.

In separate congressional testimony, in late April, IRS Commissioner Danny Werfel declined to specifically address the supervisory agent's claims of misconduct. But Mr. Werfel gave broad assurances that there would be no retaliation over that agent's communication with Congress.

Lawyers for the IRS supervisory agent noted Mr. Werfel's testimony in their letter Monday, saying their client has a "right to make disclosures to Congress" and has protection "from retaliatory personnel actions."

"We respectfully request that you give this matter your prompt attention," wrote lawyers Mark Lytle, a partner at the law firm Nixon Peabody, and Tristan Leavitt, president of Empower Oversight. "Removing the experienced investigators who have worked this case for years and are now the subject-matter experts is exactly the sort of issue our client intended to blow the whistle on to begin with."

Rep. Jason Smith (R., Mo.), chairman of the House Ways and Means Committee, said Tuesday that the latest letter from the IRS agent's lawyers "appears to contradict the sworn testimony" by Mr. Werfel and called on him to respond.

"Congress's duty to hold government agencies accountable relies on the availability and willingness of individuals to speak out about wrongdoing," Mr. Smith said.

In a statement, the IRS said it can't comment on specific taxpayer matters but is "deeply committed to protecting the role of whistleblowers."

—Aruna Viswanatha contributed to this article.

Pence Is Edging Closer To Bid for Presidency

By John McCormick And Alex Leary

Former Vice President Mike Pence is taking more concrete steps toward running for the 2024 Republican presidential nomination, including supporting the launch of a super PAC to back a potential bid that he has said he would decide on by late June.

The creation of the political-action committee, which doesn't have to abide by contribution limits associated with traditional campaign committees, was made public late Monday ahead of an economic speech Mr. Pence was set to deliver Tuesday in the first-in-the-nation primary state of New Hampshire.

The Committed to America super PAC will be led by former Rep. Jeb Hensarling of Texas and Scott Reed, a GOP strategist who left the U.S. Chamber of Commerce in 2020. Bobby Saparow, who managed Republican Georgia Gov. Brian Kemp's 2022 successful re-election bid, will also be among those on the team.

"People know Mike Pence, they just don't know him well," Mr. Reed said. "This campaign is going to reintroduce Mike Pence to the country as his own man, not as vice president, but as a true economic, social, and national security conservative—a Reagan conservative."

Mr. Pence will need all the help he can get. An April Wall Street Journal poll put Mr. Pence at 1% in a hypothetical GOP primary field.

Mr. Pence, who was a radio talk-show host before being elected to Congress and later Indiana's governor, has hawkish foreign-policy views that are at odds with some segments of the GOP. He has advocated for strong U.S. support of Ukraine, contrasting with remarks by former President Donald Trump and Fla. Gov. Ron DeSantis.

Aides say Mr. Pence's strategy would be to focus heavily on Iowa, where the first nominating contest will be held early next year. He has long been popular among social conservatives and evangelical Christians, groups that dominate the state's GOP caucuses.

The former vice president is backing the launch of a super PAC for a 2024 run.

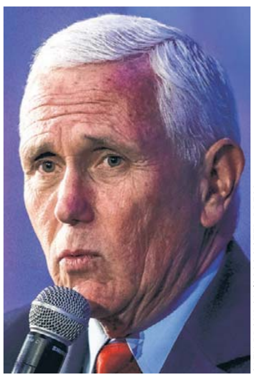
In an interview Monday in The Wall Street Journal's Chicago bureau, Mr. Pence provided a taste of what he plans to outline in his economic speech.

"Let's be aggressive about expanding free trade with free nations," he said, adding that autocratic nations such as China should be treated with greater trade skepticism by the U.S.

Mr. Pence said he would also call for the "Trump-Pence tax cuts" to be permanent and for the rejection of "bailouts as an economic policy."

Mr. Pence said that he thought a national abortion ban after 15 weeks of gestation was a "very good starting point," but that he also would support a ban at six weeks.

"I reject the notion that the Supreme Court, in the Dobbs decision, returned the question of abortion to the states only," he said, adding that Congress and presidents can still play a role in the debate.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Former Vice President Pence

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Blame Laid on Failed-Bank Heads

At Capitol Hill hearing, executives of SVB and Signature criticized for mismanaging risks

By Gina Heeb
And Andrew Ackerman

DREW ANGERER/GETTY IMAGES

From left: Greg Becker, ex-CEO of Silicon Valley Bank, Signature's former Chairman Scott Shay and Eric Howell, former president of Signature, appeared Tuesday before the Senate Banking Committee.

Senate Democrats and Republicans pressed former **Silicon Valley Bank** Chief Executive Greg Becker and two executives from **Signature Bank** on Tuesday, blaming both banks' management for the way they handled rapid growth and rising interest rates before collapsing in March.

Senate Banking Committee Chairman Sherrod Brown (D., Ohio) said the banks grew too fast and repeatedly ignored warnings from federal and state officials in the face of "glaring risks" from their customer and industry concentrations.

SVB catered to startup and venture customers, a tightknit group who pulled their large deposits when trouble hit. Signature bet on crypto banking and then struggled after the sector imploded.

"We know your banks were fatally mismanaged," Mr. Brown said. "When you put other people's money, and our broader economy, at risk, there must be accountability for that level of mismanagement. Running a bank, as you know or should know, is unlike running any other company."

The hearing marked the first time the former executives have spoken publicly since SVB and Signature were seized by regulators in rapid succession two months ago, after spooked customers yanked deposits en masse from the banks. The failures touched off a crisis of confidence across the sector that has continued despite federal backstops and assurances from regulators that the system is safe.

Mr. Becker apologized Tuesday and said SVB was caught off guard as the Federal Reserve raised interest rates over the past year at the fastest pace in decades. The increases led to sharp declines in the value of securities held by banks, which ultimately led to a giant loss for SVB when it attempted to restructure its balance sheet.

SVB customers quickly yanked deposits in what Mr. Becker called an "unprecedented" deposit run that he said no bank could have survived. Depositors withdrew approximately $42 billion the day before SVB was seized and were set to withdraw an additional $100 billion of deposits if doors opened again, Mr. Becker said.

"You made a really stupid bet that went bad," Sen. John Kennedy (R., La.) said to Mr. Becker. "Unless you were living on the International Space Station, you could see that interest rates were rising and you weren't hedged."

Former Signature executives told lawmakers Tuesday that they believe regulators acted too quickly to seize the bank. Signature's ex-chairman, Scott Shay, said the bank was in a "strong position to weather the storm," even after depositors pulled $16 billion from the bank within hours of SVB's seizure.

SVB and Signature, with a respective $209 billion and $110 billion in assets in December, were the second- and third-largest banks to fail in U.S. history at the time. When First Republic Bank was seized and sold to JPMorgan Chase this month it became the second-largest collapse, after Washington Mutual in 2008.

Officials across Washington have launched probes into the failed banks and the agencies that oversee them. The failures have led to calls for more stringent regulations on banks, especially the midsize ones that saw rules loosened under former President Donald Trump, and sparked debates over other policies such as deposit insurance.

Several lawmakers pressed the SVB and Signature executives over the compensation they received while leading the banks, concerns that were echoed by bank regulators who appeared before a House Financial Services Committee hearing also on Tuesday.

Michael Barr, the Fed's vice chair of supervision, told House lawmakers that it might be appropriate for the central bank to impose tougher restrictions, including around executive compensation, on banks that don't quickly respond to problems uncovered by their supervisors.

"That might have made a difference here," Mr. Barr said, referring to SVB. He also said the Fed is investigating bonuses paid to SVB employees hours before it failed, which he called "outrageous."

Before SVB's failure, the Fed repeatedly found problems, Mr. Barr said, but its supervisors didn't take sufficient steps to ensure the bank fixed those problems quickly enough.

Mr. Becker suggested on Tuesday the compensation he received last year was reasonable. He said he was affected by losses of the SVB stock he held, though he sold millions of dollars worth of it before the bank disclosed its loss.

"From the standpoint of that compensation, that's determined by the board of directors," Mr. Becker said. "And so I know they believed it is fair, and I believe that they were accurate."

IRS Will Offer Free Online Tax Prep For Some

By Richard Rubin

WASHINGTON—The Internal Revenue Service will begin a pilot program next year to help some taxpayers fill out and file their income tax returns for free online, taking the first step toward building a government-run competitor to TurboTax and H&R Block.

The trial run was welcomed by Democrats and consumer advocates who have been urging the government to give Americans a public tax-prep option. Republicans, meanwhile, questioned whether the IRS should develop a new tax-filing system. Private tax-preparation companies are fighting a change that could shrink their revenue.

The agency hasn't decided how many people will participate in the pilot or what will happen after the first year.

"We want to start small, but in a place where we can learn a great deal and then build from there," said Deputy Treasury Secretary Wally Adeyemo, who directed the IRS to act.

The IRS announced the pilot program Tuesday and released a pair of reports on the possibility of developing a government-run online tax-filing service that would be a new option in addition to paper forms, private software and paid tax preparers. One report included surveys finding that a majority of people who already use tax software to file their returns would likely switch to an IRS-run tool.

The reports also identified challenges, including the need to provide customer service for taxpayers. People who file state income tax returns might find an IRS service of limited use unless it connects seamlessly with state systems.

The IRS is weighing building a competitor to companies such as TurboTax.

Tax-prep companies and Republicans say an IRS program may be unnecessary and could distract the agency from other initiatives. Some argue that taxpayers should be wary of a situation in which the IRS helps prepare their returns and then audits them, questioning whether the government would aim to maximize revenue at taxpayers' expense.

"Americans don't want to give the IRS such sweeping control and authority, yet the Biden administration refuses to listen," said Rep. Jason Smith (R., Mo.), chairman of the House Ways and Means Committee, which handles tax issues.

The IRS report noted some taxpayers' concerns about that issue, as well as about information security. But it found some taxpayers would prefer an IRS tool because they thought the agency already has their information and wouldn't try to make a profit off taxpayers.

IRS Commissioner Danny Werfel said any IRS program would supplement, not replace, private-sector options.

The IRS study said a direct-filing option would cost $64 million to $249 million annually, depending on the features offered and how many taxpayers it reaches.

The agency and the U.S. Digital Service built a prototype for testing, though it wasn't used to prepare actual returns.

Taxpayers spend an average of eight hours and $140 on tax preparation, according to the IRS.

The established position of companies such as TurboTax and H&R Block could limit how many taxpayers use an IRS program beyond the pilot phase.

In a statement, H&R Block called the pilot program an unnecessary "solution in search of a problem."

Ex-Apple Engineer Among U.S. Tech Theft Cases

By Sadie Gurman
And Dylan Tokar

WASHINGTON—A former **Apple** engineer has been charged with trying to steal the company's self-driving-car technology, U.S. authorities said, one of a series of actions aimed at dismantling what they say are illicit networks providing Russia and China with access to trade secrets and restricted items such as aircraft parts and battlefield equipment.

Weibao Wang, 35 years old, a software engineer at Apple from 2016 to 2018, was charged with six counts of theft or attempted theft of the company's "entire autonomy source code," tracking systems, architecture designs and descriptions of hardware behind the technology, the Justice Department said in an indictment Tuesday.

About a year into his employment at Apple, Mr. Wang began working for a U.S.-based subsidiary of a Chinese company that was also developing autonomous-driving technology and began taking "large amounts" of sensitive information related to Apple's project, the indictment says. Investigators who searched his Mountain View, Calif., home found Apple's proprietary and confidential materials on Mr. Wang's computers and other devices.

Court records don't list an attorney for Mr. Wang, who prosecutors said flew from San Francisco to China hours after the June 2018 search and remains there. An Apple spokesman declined to comment.

The charges against Mr. Wang were announced as part of a series of arrests and indictments secured by federal prosecutors in California, Arizona and New York. Officials said the actions stemmed from a task force convened in February between the Justice Department and the Commerce Department, which is focused on policing regulations restricting the export of sensitive technologies to foreign adversaries.

"Foreign nation-states are working hard to acquire our most sensitive technologies," said Matthew Axelrod, assistant secretary for export enforcement at the Commerce Department. "We're working even harder to stop them."

In another action announced Tuesday, the U.S. attorney in Brooklyn said French authorities had arrested Nikolaos "Nikos" Bogonikolos, a Greek national who operated companies in Greece and the Netherlands and allegedly helped supply Russia with battlefield equipment and advanced electronics used for quantum cryptography and nuclear-weapons testing. The U.S. will seek his extradition, he said.

The U.S. attorney in Arizona also announced the arrests of Oleg Patsulya and Vasilii Besedin, two Russian citizens who lived near Miami and who authorities said were involved in a scheme to circumvent U.S. export controls by supplying aircraft parts to Russian airlines.

Lawyers for Messrs. Patsulya and Besedin didn't respond to requests to comment. Court records don't list a lawyer for Mr. Bogonikolos.

In a complaint filed Friday, prosecutors said Messrs. Patsulya and Besedin supplied a Boeing 737 carbon disc-brake system and other parts to at least three different Russian airlines. Two of the airlines fell under export restrictions announced by the Commerce Department last year, they said. FBI agents last week conducted a raid of a condominium in the Trump Towers in Sunny Isles Beach, Fla., which was owned by a company controlled by the two men.

The U.S. has said it is stepping up enforcement of the sanctions and exports controls on Russia since its invasion of Ukraine last year.

Drugmaker Tie-Up Challenged

Continued from Page One

trust scrutiny are often able to satisfy the agency and complete their deals by agreeing to divest themselves of products that are the source of the anticompetitive concerns, said Eric Grannon, an antitrust partner at White & Case LLP. The new lawsuit, however, could signal a tougher approach for a sector that has usually avoided the harshest FTC action, according to analysts and lawyers.

ROGER KISBY FOR THE WALL STREET JOURNAL

Amgen said it will work to close the deal by mid-December. An Amgen lab in California.

"The commission has been foreshadowing its interest in bringing a case involving pharma for quite a while now," said William Kovacic, a professor at George Washington University Law School who was the FTC's chairman from 2008 to 2009.

The agency's aggressiveness could chill company deal making, though some antitrust experts said some companies will bet that courts will take a dim view of the agency's theories of harm.

"This is going to be an uphill slog for the FTC," Mr. Grannon said. "The FTC is asking some judge to be the first at least in potentially decades to enjoin a merger between pharma companies, which would give any reasonable judge at least a little pause."

Amgen shares were down more than 2% on Tuesday, while Horizon Therapeutics shares fell more than 14%.

The FTC said the deal would allow Amgen to "entrench the monopoly positions" of Horizon's eye and gout drugs. The agency said that neither of those treatments faces any competition today and that Amgen would have a strong incentive to prevent any potential rivals from introducing similar drugs.

"The FTC won't hesitate to challenge mergers that enable pharmaceutical conglomerates to entrench their monopolies at the expense of consumers and fair competition," FTC Bureau of Competition Director Holly Vedova said.

The argument that the combination would limit potential future competition underlies some other recent FTC merger challenges and represents a novel theory for challenging deals, said Taylor Owings, an antitrust partner at Baker Botts LLP. Among the claims behind the theory, Ms. Owings said, was that other drugs will emerge to compete with Horizon's products, and that Amgen would smother those rivals with illegal and anticompetitive tactics.

During the Biden administration, the FTC and Justice Department have challenged more corporate deals, including some that didn't involve mergers of rivals. The FTC has sued to stop Microsoft from acquiring videogame maker Activision Blizzard, a deal that European Commission authorities cleared on Monday. The agency has rejected Illumina's proposed purchase of an outstanding stake in cancer-test maker Grail.

The FTC also tried unsuccessfully to block Facebook-owner Meta Platforms from buying a virtual-reality game maker, Within Unlimited. The FTC brought that case even though Meta didn't compete within the virtual-reality-game market that was at issue. A federal judge declined to issue an injunction blocking the deal, and the FTC later abandoned a related lawsuit against Meta that had been proceeding in the agency's in-house court.

Antitrust enforcers are also conducting a broad investigation of CVS Caremark, Express Scripts and other large pharmacy-benefits managers over what impact their business models have on the accessibility and affordability of prescription drugs.

An acquisition of Horizon would boost revenue growth at Amgen, of Thousand Oaks, Calif., one of the pioneering biotechnology companies. Its sales have sagged amid greater competition for its older drugs, including its blockbuster immune-disease treatment Enbrel.

Dublin-based Horizon makes medicines for rare diseases that often command high prices and face less competition than mass-market products. Horizon had sales of $3.6 billion last year, and those are projected to rise to $5.3 billion in 2026, according to analysts polled by FactSet.

In challenging the deal, the FTC cited Horizon's Tepezza drug for thyroid eye disease and its gout treatment Krystexxa. The agency said a six-month supply of Tepezza is priced at $350,000 and a year of Krystexxa is priced at $650,000.

The FTC said Amgen could harm competition by offering higher rebates to the companies that manage drug benefits in exchange for giving Tepezza and Krystexxa a preferred position on lists of covered medicines, a practice the law-enforcement agency called "cross-market bundling."

Amgen dismissed the FTC's bundling concerns as speculative and said it had told the FTC it wouldn't bundle the Horizon products. Horizon also said it doesn't plan to bundle its rare-disease medicines.

The FTC staff has examined bundling concerns for years, while smaller companies have sometimes used it to support private lawsuits against their dominant rivals, Mr. Kovacic said.

Rival Regeneron Pharmaceuticals has accused Amgen, in a civil antitrust complaint filed in a federal court in Delaware, of using bundling to pressure pharmacy-benefit managers, the middlemen who oversee prescription drug benefits for employers and insurers, to stop covering a Regeneron cholesterol drug in exchange for greater discounts on Amgen's competing cholesterol drug and other products.

Amgen has denied the allegations in the suit.

U.S. NEWS

TIMOTHY D. EASLEY/ASSOCIATED PRESS

Kentucky Attorney General Daniel Cameron speaks to supporters in Louisville after securing the Republican nomination for governor.

Kentucky Attorney General Wins GOP Governor Primary

By Arian Campo-Flores

Kentucky Attorney General Daniel Cameron won the Republican nomination to take on incumbent Democratic Gov. Andy Beshear, turning the page from a bitter primary fight toward what is expected to be one of the most high-profile gubernatorial contests this year.

The Associated Press called the race for Mr. Cameron on Tuesday evening. Mr. Beshear also faced a primary and easily beat his little-known Democratic opponents.

The political parties will be scrutinizing Kentucky's off-year governor's race, along with the ones in Louisiana and Mississippi, for clues about voter sentiment ahead of the 2024 presidential election.

Mr. Cameron will face a challenging opponent in Mr. Beshear, who was rated the most popular Democratic governor in the country by survey firm Morning Consult in January. He has cultivated a brand as a nonpartisan and compassionate leader who has steered the state through disasters, including the Covid-19 pandemic, deadly tornadoes and devastating flooding, according to strategists in both parties. Though Kentucky has become solidly Republican in presidential elections and the GOP overtook Democrats in voter registration last year, the state has some history of electing Democratic governors, including Mr. Beshear's father.

"Andy Beshear will not be easy to beat," said Bill Stone, the former Republican chairman in Jefferson County, Ky., which includes Louisville. "Andy has conducted himself with dignity."

Daniel Cameron will challenge Gov. Andy Beshear, who won the Democratic nod.

Mr. Cameron banked heavily on an endorsement from former President Donald Trump to secure the nomination. A protégé of Senate Minority Leader Mitch McConnell (R., Ky.), Mr. Cameron won election in 2019 as Kentucky's first Black attorney general and gained national attention for his handling of an investigation into the police killing of Breonna Taylor in 2020.

Mr. Cameron defeated several rivals, including Kelly Craft, a former United Nations ambassador under Mr. Trump, who drew on her family's wealth to blanket the airwaves with ads. She lent her campaign more than $9 million, and her husband, coal-industry executive Joe Craft, pumped $1.5 million into a political committee backing her. Mr. Cameron and an allied committee raised about $4 million.

Another Republican in the race was Ryan Quarles, the Kentucky agriculture commissioner, who had cultivated an extensive network of grassroots supporters in rural areas across the state. He highlighted his advocacy for farmers and his family's agricultural roots in central Kentucky.

In the final days of campaigning, Ms. Craft held a rally with Texas Sen. Ted Cruz in Louisville. She also picked up a late endorsement from Florida Gov. Ron DeSantis, a potential presidential contender who in polling has appeared to be Mr. Trump's top rival for the Republican nomination. Mr. Quarles visited a string of counties as part of his "Big Red Truck Tour" featuring his red pickup. And Mr. Cameron held a "tele-rally" on Sunday featuring a phone call from Mr. Trump, who sought to seal the deal for the candidate.

The leading candidates attacked one another more for their political styles and records than policies they would pursue if elected.

Scott Jennings, a GOP strategist in Louisville, said Republicans in the state were eager to settle on a nominee and unite the party after a primary that featured bitter attacks on the airwaves between Ms. Craft and Mr. Cameron. "The primary has caused so much anxiety," he said. "We don't have experience in Kentucky dealing with hyper-contentious primaries."

Republicans are expected to go after Mr. Beshear on national issues, such as abortion, transgender rights and racial-justice matters in schools. Democrats, meanwhile, are likely to try to keep the contest focused on state-level issues and his stewardship in crisis.

"If the race is about Kentucky at the end of the day, he's got a great shot," said Democratic strategist Jim Cauley.

—Alex Leary contributed to this article.

Democratic Victor On Track to Be Next Philadelphia Mayor

By Scott Calvert

Cherelle Parker won the Democratic nomination for mayor in Philadelphia, according to the Associated Press, clearing her way to become the city's 100th mayor after a campaign dominated by historically high crime levels.

With registered Democrats outnumbering Republicans 7 to 1, the 50-year-old former city council member will likely be poised to win the Nov. 7 general election. Republican former city council member David Oh ran unopposed. Ms. Parker would be the first woman elected mayor of Philadelphia.

She defeated eight other Democrats, including former city controller Rebecca Rhynhart, former council members Helen Gym and Allan Domb, and supermarket chain founder Jeff Brown. Current Mayor Jim Kenney, a two-term Democrat, is term-limited.

The race was a dead heat going into Tuesday's primary, according to a recent poll that found Ms. Parker and three other candidates at between 14% and 21%. Surveys showed crime was voters' main concern, and top-tier Democratic candidates all said they saw the need for a bigger role for police.

Philadelphia had a record 562 homicides in 2021, and killings remain far more common than a decade ago, despite a 22% drop so far this year compared with two years ago.

Ms. Parker, a Pennsylvania state legislator before her election to the city council in 2015, said her public-safety plan includes hiring 300 foot and bicycle officers and rehiring retired officers to perform administrative jobs now held by officers.

Ms. Parker, the only Black candidate in the top tier of polling, has spoken favorably of police stops commonly known as stop-and-frisk. The practice in Philadelphia has been under judicial oversight since 2011 amid claims of police abuses.

In a recent radio interview, she said: "I don't support the unconstitutional use of stop-and-frisk, but constitutionally, yes, I do. It is a tool and I'm unapologetic." She said as the mother of a 10-year-old Black boy, she knows racial profiling is real but added, "I will not allow anyone to use a paintbrush and broadly paint all of the men and women who put their lives on the line to protect and serve Philadelphians in that same bucket."

A campaign adviser said Ms. Parker wants police to make legal stops as often as needed, but not necessarily more often. Some other candidates took similar stances. Police data show officers last year made about 130,000 pedestrian and vehicle stops, down from 465,000 in 2019. Over roughly the past decade, less than 1% of stopped pedestrians were carrying a firearm, according to a review of data by lawyer Mary Catherine Roper, who sued the city in 2010.

Temple University criminal-justice professor Jerry Ratcliffe said one challenge the next mayor will face is limited money. He noted that Philadelphia ranks among the poorest big U.S. cities.

MATT ROURKE/ASSOCIATED PRESS

Cherelle Parker, shown in April, won the Democratic primary.

Hybrid Work Plans Take Hold

Continued from Page One

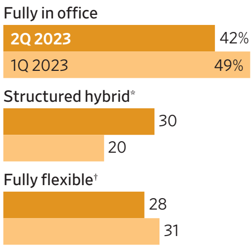
workers. In New York, each employee working at home rather than going into the office costs city businesses about $4,600 in sales annually, according to WFH Research, a think tank that tracks workplace arrangements.

Some city officials are experimenting with new policies in an effort to lure back workers. New York City Mayor Eric Adams last week announced tax incentives for office-building owners to upgrade buildings constructed before 2000, hoping that a more modern workplace would boost occupancy.

With employees spending only half the five-day workweek in the office, it isn't surprising that office-return rates stalled out around half of prepandemic levels. The average office usage rate, which crossed 50% of prepandemic levels in late January, remained around there ever since, according to Kastle Systems. Kastle tracks the return-to-office in 10 major U.S. markets by monitoring security-badge swipes.

Other companies using different methods to track office usage show a slightly higher return rate, but they are finding that attendance has leveled off. Placer.ai, which tracks mobile-phone data, said office visitations in 11 cities as of late April were just over 60% of what they were in 2019, little changed from early February. "This holding pattern seems to indicate a stalled recovery," Placer.ai said in an April report.

Percentage of companies adopting workplace strategies



*Some days in office required
†Either completely remote or employees decide whether or not to come into the office
Source: Flex Index - flex.scoopforwork.com/stats

In Texas, cities continue to have the highest return to office rate, in part because many businesses in the state are among those requiring workers in the office five days a week. In the first week of May, the return rates for Austin and Houston both topped 60%, according to Kastle.

Most employees of Houston-based law firm McCulloch & Miller have been back in the office five days a week since late 2020, said managing partner David Miller. Still, he said, the firm is more flexible than before the pandemic in terms of letting workers arrive late, leave early and work from home if necessary.

Technology firms remain the most permissive for letting employees work from home, resulting in low return-to-office rates in cities such as San Francisco, Seattle and San Jose, Calif. Salesforce opened this spring its new tower in Chicago but the news was muted by the company's plans to make up to 125,000 square feet of sublease space available in the 58-story building.

Office landlords have been encouraged this year by signs that the tech sector is finally calling some of its workers back to offices. For example, even while it has been putting space on the sublease market, Salesforce earlier this year implemented a plan to return workers to offices as many as four days a week.

Meta Platforms has continued to allow employees to work from home as much as they want. But the Facebook owner told managers this spring to stop hiring all-remote workers temporarily, which many interpreted as a hint that it might soon require some workers back in the office.

Yet financial-services companies are increasingly adopting hybrid workplace policies after leading the way in asking employees to come back full time. Currently 20% of financial-services firms require workers to be in the office five days a week, compared with 22% three months ago, according to Scoop.

U.S. WATCH

WASHINGTON

Secret Service Probes Sullivan Home Breach

The U.S. Secret Service said Tuesday that it had opened a full investigation into how an intruder managed late last month to enter the Washington home of national-security adviser Jake Sullivan undetected by the agents assigned to guard him.

"The U.S. Secret Service is examining a security incident that took place at a protectee site," said Secret Service spokesman Anthony Guglielmi.

Two people familiar with the matter confirmed that Mr. Sullivan was the protectee in question.

The intrusion occurred in the early morning hours and Mr. Sullivan informed the individual, who appeared confused and possibly intoxicated, that he needed to leave, people briefed on the incident said.

No one was hurt, and there is no indication the intruder knew Mr. Sullivan or was seeking to target him, the people added.

—Byron Tau

TEXAS

Boy Is Arrested After Sonic Shooting

A 12-year-old boy and a 20-year-old man have been arrested on a murder warrant in the fatal shooting of a Sonic Drive-In employee in Texas, police said.

Matthew Davis, 32, was shot and killed Saturday night as he fought with Angel Gomez, 20, in the parking lot of the restaurant in Keene, about 40 miles southwest of Dallas, police said.

The boy was at the restaurant with Mr. Gomez, who was causing an unspecified disturbance in the parking lot, and shot Mr. Davis several times after taking a gun from Mr. Gomez's vehicle, according to police.

The boy used an AR-style rifle in the shooting, Police Chief James Kidd told the Dallas Morning News on Tuesday.

Mr. Gomez later returned and was arrested on a murder warrant and the boy, whose name hasn't been released, was found and arrested in the nearby town of Rio Vista, police said.

—Associated Press

WYOMING

'Taco Tuesday' Name Beef Heats Up

Declaring a mission to liberate "Taco Tuesday" for all, Taco Bell is asking U.S. regulators to force Wyoming-based Taco John's to abandon its longstanding claim to the trademark.

Too many businesses and others refer to "Taco Tuesday" for Taco John's to be able to have exclusive rights to the phrase, Taco Bell asserts in a U.S. Patent and Trademark Office filing. "Taco Bell believes 'Taco Tuesday' is critical to everyone's Tuesday," the Taco Bell filing reads.

With more than 7,200 locations in the U.S. and internationally, Taco Bell is vastly bigger than Cheyenne-based Taco John's. Begun as a food truck more than 50 years ago, Taco John's now has about 370 locations in 23 mainly Midwestern and Western states.

Taco John's responded to Taco Bell's filing by announcing a new two-week Taco Tuesday promotion.

—Associated Press

SEAN MEAGHER/THE OREGONIAN/ASSOCIATED PRESS

FIRE RESCUE: Smoke fills the air as Portland Fire & Rescue work at the scene of an apartment fire in downtown Portland, Ore., Tuesday. Firefighters rescued over a dozen people and three dogs.

Missiles Targeted at Kyiv Are Shot Down

U.S. assesses potential damage to its Patriot air-defense system used by Ukraine

By Ian Lovett, Drew Hinshaw and Nancy A. Youssef

KYIV, Ukraine—Washington was assessing potential damage to a Patriot air-defense system sustained during a Russian missile assault on Kyiv early Tuesday, according to a U.S. official. The official said the system remained operational, but declined to provide further details.

Kyiv received U.S.-made Patriot systems in April, allowing it to combat Russia's hypersonic missiles. Any damage that forced the system offline would leave Kyiv vulnerable to Russia's intensifying air assaults.

Ukrainian officials said 18 Russian missiles were shot down around the capital and praised Western partners for supplying advanced weapons that helped blunt the attack.

White House National Security Council spokesman John Kirby said he couldn't confirm reports that a Patriot system was damaged. "If there was damage done to a Patriot system that needed to be repaired outside Ukraine, we would certainly assist with that," Mr. Kirby told reporters.

Earlier Tuesday, Russia's defense ministry said its missile barrage hit a Patriot system. Ukraine didn't comment on the claim but said all of the missiles fired at Kyiv were shot down, including six ballistic Kinzhal missiles.

"Another unbelievable success for the Ukrainian Air Forces!" Oleksiy Reznikov, Ukraine's defense minister, wrote on Twitter thanking "partner states, who invested in securing the skies over Ukraine."

Until recently, officials said Ukrainian forces had no way to take down the Kinzhals, which can travel at more than five times the speed of sound.

The sound of outgoing fire and explosions echoed through central Kyiv Tuesday, shaking apartments and waking many residents. Vitali Klitschko, the mayor of Kyiv, wrote on Telegram that falling debris caused damage in several areas of the city, including at the zoo. "Fortunately, none of the animals or workers were injured," he wrote. In another district, several cars caught fire and at least three people were hurt.

Meanwhile in Washington, President Biden said his administration is "working every day" to secure the release of Wall Street Journal reporter Evan Gershkovich and Paul Whelan.

Speaking at an event to mark Jewish American Heritage Month, Mr. Biden paid tribute to Mr. Gershkovich, whom he called fearless, alongside other Jewish Americans who have represented the U.S. in the public sphere.

The president made the remarks after a House committee advanced bipartisan resolutions calling on Russia to free Messrs. Gershkovich and Whelan.

"Evan is innocent—he was just doing his job, reporting on the news in Russia," said Rep. Michael McCaul (R., Texas), chairman of the House Foreign Affairs Committee.

If the resolutions are passed by the entire House, they could strengthen the administration's efforts to get Messrs. Gershkovich and Whelan returned. Mr. Gershkovich was detained on March 29 and held on an allegation of espionage that the Journal and the Washington vehemently deny. Russian authorities haven't publicly provided evidence to support the allegation.

—William Mauldin contributed to this article.

GLEB GARANICH/REUTERS

A missile explodes over Kyiv during a Russian attack. The mayor said falling debris caused damage in several areas, including at the zoo.

Watch a Video

Scan this code for a video on Ukraine downing the missile barrage.

Ukraine Holds Chief Justice in Bribery Case

By Matthew Luxmoore

Ukraine detained its top judge over an alleged $2.7 million bribe as it seeks to show its citizens and Western backers that have poured billions into its war effort that it can clamp down on high-level corruption.

The detention of Chief Justice Vsevolod Knyazev is one of the most significant cases in the history of Ukraine's patchy efforts to root out widespread graft that for years has corroded its economy and trust in Western capitals. Mr. Knyazev didn't comment.

The move comes as the mounting costs of subsidizing Ukraine's resistance against Russia's invasion have raised complaints in Washington and elsewhere. In the U.S., which is providing the bulk of the financial and military aid Kyiv says it needs to battle Russia and restore damaged infrastructure, Republican members of Congress have raised concerns about corruption as part of a critique of the Biden administration's support for Ukraine.

The head of the National Anti-Corruption Bureau of Ukraine said the case, which isn't directly related to the billions that the West has poured into Ukraine, demonstrated authorities' commitment to pursuing high-level wrongdoers.

"We are showing through real cases, real deeds, what our priority is: It's top corruption, it's criminal organizations at the highest levels of power," said NABU chief Semen Kryvonos.

NABU said Mr. Knyazev and one other unnamed person were detained on suspicion of receiving the payoff for ruling in favor of a company owned by Kostyantyn Zhevago, one of Ukraine's richest men.

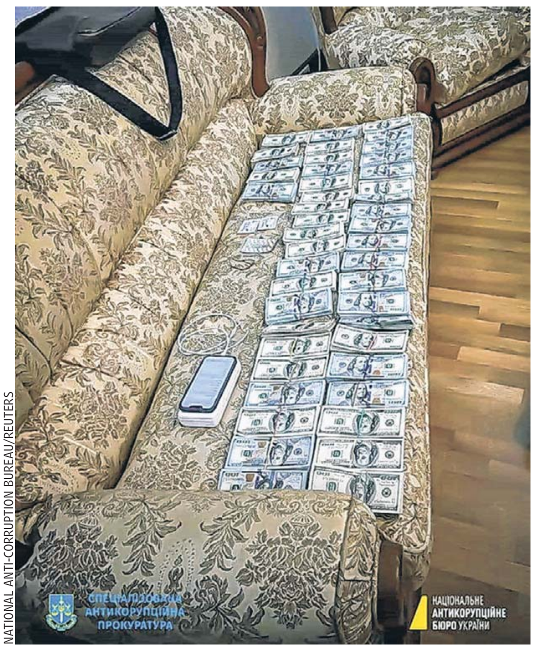
Mr. Zhevago was arrested in France at Ukraine's request in December on suspicion of embezzlement and money laundering, but France in March ruled against his extradition to Ukraine. NABU didn't publicly name Mr. Zhevago. It said the scheme at the court was connected to the owner of Finance and Credit, a company Mr. Zhevago owns. He denied wrongdoing.

NABU said an undercover agent and wiretaps allowed it to document illegal payments. A photo released by NABU showed stacks of hundred-dollar bills lined up on a sofa.

Ukrainian President Volodymyr Zelensky came to power in 2019 on a pledge to root out deep corruption, but progress has been uneven. Last year, Ukraine ranked 116th out of 180 countries in the Corruption Perceptions Index compiled by Transparency International, a nonprofit organization based in Berlin.

In recent months, Mr. Zelensky has fired nearly a dozen senior officials in connection with alleged bribery and embezzlement of public funds. But high-profile scandals, including one involving the Defense Ministry allegedly paying inflated amounts to suppliers of food for the army, have hobbled his campaign.

Anticorruption activists in Ukraine have said the country has made progress, but corrupt practices persist.



NATIONAL ANTI-CORRUPTION BUREAU/REUTERS

Ukraine's National Anti-Corruption Bureau said an undercover agent and wiretaps allowed it to document illegal payments.

U.S. Blasts Moscow's Arrest of Contractor

By Alan Cullison And Daniel Nasaw

The U.S. condemned Moscow's jailing of a Russian contractor for the American Embassy there, describing the arrest as a "blatant use of increasingly repressive laws against its own citizens."

Robert Shonov, 62 years old, was charged under a statute penalizing Russians who help a foreign state undermine Russia's interests, Russian news agencies reported. The U.S. said the allegations were "wholly without merit." He was arrested in March, and is now being held in Moscow's Lefortovo prison, whose cells are typically reserved for suspects in high-profile espionage cases, and faces eight years in prison, the agencies reported.

His arrest came amid a broadening Kremlin campaign against Western influence that has complicated work of the U.S. mission there.

Mr. Shonov worked for more than 25 years for the U.S. Consulate General in the far eastern city of Vladivostok, a post which closed two years ago following Moscow's order barring the U.S. from hiring local staff, the U.S. State Department said. Mr. Shonov then worked for an outside contractor that compiled news media summaries for the U.S. Embassy "in strict compliance with Russia's laws and regulations," State Department spokesman Matthew Miller said.

"His being targeted under the 'confidential cooperation' statute highlights the Russian Federation's blatant use of increasingly repressive laws against its own citizens," Mr. Miller said.

Russia has stepped up the use of espionage cases against Russians and foreigners amid the war in Ukraine and isolation from the West. It has collected some prisoners with an apparent eye toward prisoner swaps, U.S. officials say.

Wall Street Journal reporter Evan Gershkovich, who was arrested in March while on a reporting trip in the provincial city of Yekaterinburg, is also in Lefortovo prison. Mr. Gershkovich is awaiting trial on an allegation of espionage that his newspaper and the U.S. government vehemently deny.

Another American citizen, Paul Whelan, has been held since December 2018 on charges similar to the allegation against Mr. Gershkovich. He was convicted in 2020 and sentenced to serve 16 years. The State Department has designated Messrs. Whelan and Gershkovich as wrongfully detained.

Russian Officials Are Contacting CIA, Agency Says

By Warren P. Strobel

WASHINGTON—The Central Intelligence Agency's semipublic campaign to convince Russians disaffected by the Ukraine war to spy for Washington has borne fruit, CIA officials said this week, as the spy agency released a new video aimed directly at Russian government officials.

Since last fall, the CIA and Federal Bureau of Investigation have used social-media platforms and public appearances to encourage Russians angered by President Vladimir Putin's invasion of Ukraine to contact them—and have provided what they say are secure Internet channels to do so.

Some Russians have responded, an official involved in the outreach effort said Tuesday.

"It is resulting in contact," the official said.

The official declined to provide details of how many would-be Russian agents have contacted the CIA or what information they were in a position to provide, citing operational secrecy.

Current and former U.S. officials say that despite Mr. Putin's apparent unchallenged control over Russian society and political life, Russia has emerged as a potentially rich recruiting environment for government officials and others unnerved by the mounting costs of the Ukraine invasion.

An estimated 500,000 or more Russians have fled abroad, where they are easier for U.S. spy agencies to contact.

"We're looking around the world for Russians who are as disgusted with that as we are," CIA Deputy Director of Operations David Marlowe said in November. "Because we're open for business."

The new CIA-produced, Russian-language video was posted on Telegram, a messaging service popular in Russia, and on other social-media channels.

It portrays fictional Russian officials, at home with their families and at work, struggling with a decision to reach out to the American spy service. The war in Ukraine and Mr. Putin are never explicitly mentioned.

The 1-minute, 50-second video closes with the message: "The people around you may not want to hear the truth. We do. You aren't powerless. Connect with us securely."

Instructions for contacting the CIA on Tor, an anonymous encrypted Internet communications tool, then flash on the screen.

Daniel Hoffman, a retired CIA officer who served as the agency's Moscow station chief, said any Russian volunteering to help the U.S. would do so at a time or place of his or her choosing.

But the video, he said, helps by "letting them know that we're here and can securely engage with them."

That is a "respectful" approach, he said. "It's designed for people that are on the fence."

Mr. Hoffman noted that the CIA released the video in the run-up to an expected major Ukrainian counteroffensive against Russian military forces on its territory which, depending on its success, could unnerve some Russian citizens further.

"You want to be prepared, with your catcher's mitt, ready to go," he said.

Russia's embassy in Washington didn't respond to a request for comment.

The video was explicitly designed not to be seen as fomenting Mr. Putin's overthrow or Russia's destabilization, the official involved in the effort said.

"I don't believe in a revolution," the narrator says. It remains unclear whether the Russian leader, who has long been convinced Washington wants to overthrow him and weaken Russia, will see it that way.

The CIA is hoping Russians will come forward with information on such topics as Russia's economy, foreign policy, cyber activities and senior leadership, the official said.

Mr. Hoffman said that even if the video results in just a single recruit, "that's a great operation."

—William Mauldin contributed to this article.

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Turkey Faces Financial Reckoning

By Chelsey Dulaney
And Jared Malsin

The winner of this month's Turkish presidential election will have to reckon with a dangerously lopsided economy that investors and economists say has veered close to the edge of financial stability.

Turkey will hold a runoff election on May 28 after neither President Recep Tayyip Erdogan nor opposition candidate Kemal Kilicdaroglu secured the 50% of the vote required to clench the presidency. Mr. Erdogan emerged with a convincing lead in the first round.

Mr. Erdogan's performance dashed hopes of a significant shift in policy and raised the prospect of a continuation of his unorthodox approach to the economy. Under his tenure, Turkey has produced sky-high inflation, an outflow of foreign investment and a growing shortage of U.S. dollars needed to buy imports such as oil and repay foreign-currency debt.

EMRAH GUREL/ASSOCIATED PRESS

Foreign-exchange forward contracts show investors are betting on a 40% devaluation in the Turkish lira in the next 12 months.

Investors have increased bets that Turkey's economic problems would mount when the election is over and Mr. Erdogan's patchwork of temporary financial fixes lose their effectiveness. Foreign-exchange forward contracts show investors are betting on a 40% devaluation in the lira in the next 12 months. The cost of insuring against a default on Turkey's foreign-currency bonds has jumped by a third since Friday, according to five-year credit-default swap data from S&P Global Market Intelligence. Yields on the government's U.S. dollar bonds maturing in 2031 have climbed above 9.5%, up nearly 1.5 percentage points in the past two days.

Under Mr. Erdogan's 20-year rule, Turkey has pursued a growth-at-all-costs strategy that has fueled imbalances across the financial system and currency and economic crises. In the run-up to the election, Mr. Erdogan accelerated spending, and the central bank burned through reserves to stabilize the lira, amplifying pressure on Turkey's finances.

"Conditions are now in very bad shape, worse than they were before," said Francesc Balcells, head of emerging market debt at FIM Partners, an investment manager.

The country's current-account deficit, roughly a measure of the difference between what it imports and exports, has widened to records this year.

"The game in Turkey has always been about plugging holes," said Mr. Balcells, who has been betting against Turkish assets. "But there's only so many rabbits that you can pull out of your hat."

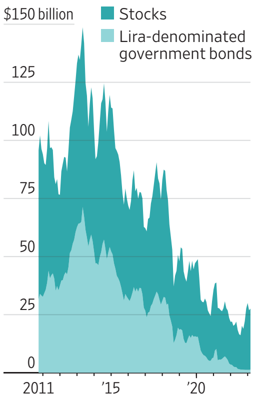
Economists are watching Turkey's foreign-exchange reserves closely. The central bank held about $2.1 billion in net international reserves last week, the lowest level since 2002, show estimates from Turkish economist Haluk Burumcekci.

The bulk of Turkey's reserves are borrowed. The Turkish central bank uses currency-swap agreements, through which banks and foreign governments sell dollars and euros in exchange for lira for a limited time. Excluding those swaps, Turkey's reserves are a negative $58 billion, Mr. Burumcekci estimates.

At the heart of Mr. Erdogan's economic policy is an insistence that high interest rates are ineffective at fighting inflation. He has pressured the central bank to cut interest rates repeatedly after taking greater command of the economy and has fired three central bank governors in three years. He has ruled out raising interest rates in the future.

Low interest rates boost growth by encouraging borrowing and spending. But artificially low rates cause myriad problems. In Turkey's case, they have resulted in one of the world's highest rates of inflation, which peaked at more than 85% last year and currently is more than 43%, according to the state statistics agency.

Foreign portfolio investment in Turkish assets



Source: Central Bank of the Republic of Turkey

Tourism In Japan Lifts GDP Growth

By Megumi Fujikawa

TOKYO—Japan's economy showed a bigger-than-expected upswing in the first quarter, helped by a recovery in tourism that offset sluggishness in some leading economies.

Japan has just begun to benefit from postpandemic pent-up demand of the kind the U.S. experienced more than a year ago. Tokyo waited until last October to remove border controls for overseas tourists and lifted restrictions on big events earlier this year.

The world's third-largest economy after the U.S. and China expanded 0.4% in the three months to March from the previous quarter, government data showed Wednesday, slightly above forecasts.

The Japanese economy grew at an annualized rate of 1.6%, outpacing 1.1% growth for the same quarter in the U.S., where high inflation and rising interest rates hit consumers. In China, another top market for Japanese-made goods, recent economic indicators such as the unemployment rate and retail sales have pointed to a sluggish recovery.

Economists say the main growth driver in Japan remains domestic demand. Spending is likely to pick up further after recent wage negotiations resulted in the biggest pay increase in three decades. The pace of inflation has slowed recently thanks to the government's measures to ease the impact of higher energy prices and declines in import prices.

Nuclear Issues Revisited in Biden's Hiroshima Trip

Nearly 78 years ago, around a Hiroshima bridge not far from where President Biden is scheduled to meet world leaders this week, a 4-year-old boy named Eiji Kishida was walking with his mother. The U.S. atomic bomb dropped by the Enola Gay exploded above them, less than a mile away.

By Peter Landers
in Tokyo
and Chieko Tsuneoka
in Hiroshima, Japan

An aunt of the boy who was also in Hiroshima that day recounted what she saw when she found Eiji soon afterward. "His little body," she said, was "transformed into an unrecognizable melted chunk of flesh. He kept begging for water in a faint voice until his death released him from agony."

It was one of countless tragedies on Aug. 6, 1945, unnoted then by the wider world as the war neared its end. Today, three relatives of the boy are well-known. One is actor George Takei, a cousin. The second is the aunt, Setsuko Thurlow, now 91, who spoke those words in 2017 when accepting a Nobel Peace Prize on behalf of antinuclear campaigners.

And the third is Mr. Biden's host in Hiroshima, Japanese Prime Minister Fumio Kishida. He is the second cousin, once removed, of Eiji Kishida.

Mr. Kishida said he decided that this year's summit of leaders of the Group of Seven industrialized nations would take place in his family's hometown, to push for progress on nuclear disarmament.

The leaders are gathering in Hiroshima as the push is losing ground. Russia repeatedly has threatened to use nuclear weapons in its invasion of Ukraine, and North Korea is adding to its nuclear arsenal outside of international controls. The plight of Ukraine, which gave up its nuclear weapons in the 1990s, is teaching countries, if anything, the value of a nuclear deterrent.

Mr. Kishida, who represents Hiroshima in parliament, wrote a book in 2020 called "Toward a World Without Nuclear Weapons" in which he told the story of Eiji's death and described meeting Ms. Thurlow. He became Japan's leader a year later.

Yet nuclear disarmament sits uneasily alongside Mr. Kishida's efforts to bolster Japan's defenses and strengthen its alliance with the world's leading nuclear-armed power, the U.S. He has pledged to nearly double Japan's military spending while buying powerful nonnuclear weapons.

The Japanese public is likewise torn. Polls suggest many people appreciate the threat from nuclear powers North Korea and China, while wanting to preserve the pacifist legacy left by the lessons of Hiroshima as they are understood in Japan.

Under a treaty with Tokyo, the U.S. has promised to defend Japan if it is attacked, implicitly putting its ally under America's nuclear umbrella.

Still, Mr. Kishida, 65, said in a group interview with The Wall Street Journal and other foreign news organizations that he wanted to continue spreading the message of nuclear abolition.

"I feel that with Russia's invasion of Ukraine, the path toward a world without nuclear weapons has become even tougher," he said. "But precisely because we are in such times, I feel that it is Japan's responsibility to human civilization, as the only nation to suffer an atomic attack in war, to continue carrying high the banner of idealism toward achieving a world without nuclear weapons."

Mr. Kishida said he would show Mr. Biden and other G-7 leaders around Hiroshima's Peace Memorial Park near where the bomb was dropped. Mr. Biden will be the second sitting U.S. president to visit Hiroshima.

The first was Barack Obama, who on his 2016 visit threaded the needle of honoring victims in Japan without changing longstanding U.S. policy of possessing thousands of nuclear warheads.

In a speech at the peace park, Mr. Obama, now 61, said the U.S. should aspire to eliminate nuclear weapons but it might not happen in his lifetime. He called for other steps short of abolition, saying: "We can stop the spread to new nations, and secure deadly materials from fanatics."

Mr. Kishida took a similar line last summer when in New York to speak at a United Nations nuclear-disarmament conference. He advocated gradual reduction of nuclear stockpiles and more transparency.

Beijing Data Show Weaknesses

Continued from Page One

rate of youth unemployment has consistently been two or three times worse than the general population and hasn't fallen below 15% since the end of 2021—have also contributed to fears about domestic social instability as tensions with the U.S.-led West have ramped up.

While many economists have recently raised their full-year China growth forecasts closer to 6%, exceeding the roughly 5% target set by policy makers in March, they remain divided about whether Beijing will cut interest rates in the near term.

Ting Lu, chief China economist at Nomura, told clients in a note Tuesday that the country faces "rising risks of a downward spiral" that can result in less activity, rising unemployment, persistent disinflation, falling interest rates and a weaker currency. He predicted that a cut to benchmark lending rates could arrive in the second half of year.

The weaker-than-expected economic report "opens the door for further policy easing" as the economy grapples with slack in the labor market and rising deflationary risks, said Tommy Wu, an economist at Commerzbank.

On Monday, the People's Bank of China kept interest rates unchanged for a ninth consecutive month. At the same time, the central bank issued a statement saying the country wasn't suffering from deflation, though it acknowledged that weak demand had kept inflation low.

"The 'scarring effect' of the pandemic has not yet faded, residents' income expectations are still recovering, young people are under greater employment pressure, and the sustainability of consumption recovery momentum is facing challenges," the central bank said.

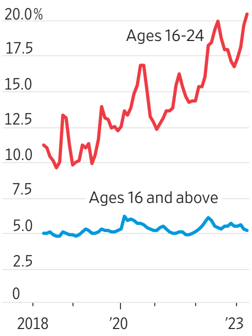
Exuberance from the sudden lifting of strict Covid-19 regulations late last year uncorked a gusher of service-sector spending. But that burst appeared to be losing steam in April.

While retail sales, a proxy for consumption, jumped 18.4% in April from a year earlier, the magnitude of the increase was mainly attributable to the comparison with the year-earlier period, when a lockdown in Shanghai snarled supply chains and hammered consumer confidence across China.

The result also undershot expectations for a 20.5% increase among economists surveyed by The Wall Street Journal. When compared with March, consumer spending rose a mere 0.5% in April, according to the statistics bureau.

Spending on services has been the main driver of the recovery while spending on goods is lagging. That divergence continued in April, with sales of home appliances, furniture and other goods remaining in the doldrums, even as spending in restaurants continued to gather momentum, Tuesday's data showed.

China's unemployment rate



Source: China's National Bureau of Statistics

Factory activity also disappointed, falling 0.5% last month compared with March, reflecting softening export demand as retailers in the West dial back on new orders amid elevated inflation.

Growth in fixed-asset investments, including those in manufacturing, property and infrastructure, slowed unexpectedly in April, with investment made by private firms growing just 0.4% during the first four months of the year, slowing further from last year's weak 0.9% rate.

Fixed-asset investment increased 4.7% from a year earlier in the January-to-April period, slowing from a 5.1% increase recorded in the first quarter and lower than the 5.3% growth anticipated by economists polled by the Journal.

The drag from real estate, which suffered a sharp pullback through most of 2022, continued. Investment in China's property market fell 6.2% in the first four months of the year compared with a year earlier, widening from a 5.8% decline in the first quarter.

In the labor market, China's headline measure of joblessness—the surveyed urban unemployment rate—fell for a third straight month in April to 5.2%, the lowest since late 2021. But that good news was overshadowed by a fourth straight month of rising joblessness among young people, who made up nearly 40% of service-sector employment before the pandemic, according to Louise Loo, China economist at Oxford Economics.

"To the extent that we think the recovery has been led by the services sector, the fact that one in five youths is out of a job really indicates that the boost isn't going to be a lasting one," Ms. Loo said.

Fu Linghui, a spokesman at China's statistics bureau, called for more efforts to help expand job opportunities for young workers, as the number of college graduates is expected to hit a record this summer.

Part of the problem is a mismatch in the job market. Factories in China are struggling to find young workers, while many recent graduates are unwilling to take on low-paying jobs.

In Beijing, Yao Jiaoqing quit her job as a coffee shop barista last month because she couldn't endure the grind of the work while getting paid a monthly salary of less than 3,000 yuan, equivalent to $431. "For years I keep asking myself, 'Why do we have to work?' " said Ms. Yao, 27 years old.

—Grace Zhu and Xiao Xiao in Beijing contributed to this article.

Korean Soccer Player Is Detained in China

By Chun Han Wong

LEE JIN-MAN/ASSOCIATED PRESS

Son Jun-ho, 31 years old, plays in China's top-tier soccer league.

SINGAPORE—Chinese police have detained a South Korean soccer player on allegations of bribery, the latest in a spate of enforcement actions affecting foreigners in China.

Son Jun-ho, a 31-year-old who plays in China's top-tier soccer league and has appeared for the South Korean national team, was detained Friday while trying to leave China via an airport in Shanghai, according to a report Tuesday by the semiofficial South Korean news agency Yonhap.

Chinese Foreign Ministry spokesman Wang Wenbin said at a briefing that public-security authorities in the northeastern province of Liaoning detained a South Korean national on suspicion of accepting bribes. Mr. Wang didn't elaborate on the allegations.

Liaoning police have informed the South Korean Consulate in the provincial capital of Shenyang about the case and will facilitate South Korean efforts to provide consular support, said Mr. Wang, who didn't identify Mr. Son by name.

South Korea's Foreign Ministry is aware of the situation and is providing consular assistance, a spokesman said. He declined to comment further, citing privacy regulations.

Mr. Son, who plays midfield for Chinese soccer club Shandong Taishan F.C., made three substitute appearances for South Korea at the 2022 World Cup. He couldn't be reached for comment.

Shandong Taishan, a Chinese Super League team that most recently won the competition in 2021, didn't respond to queries sent to its official social-media accounts. The club wished Mr. Son a happy birthday in a social-media post Friday. Mr. Son most recently appeared for Shandong Taishan in a league match on May 10, but wasn't named when the team played Sunday.

Hours after China's Foreign Ministry commented on Mr. Son's case, Shandong Taishan announced that it has appointed a South Korean citizen—and former national team coach—as the club's new head coach.

Chinese inspectors have conducted sweeping probes of the domestic soccer business, detaining some of its most prominent personalities including a former head coach of the Chinese men's national team and several soccer administrators.

Gulf Leader Tests Ties With U.S.

U.A.E. bolsters links with Russia, China that have frayed relations with Washington

ABU DHABI—Last year, the United Arab Emirates became a hub for Russian money and cut oil production, boosting Moscow's war chest and drawing protests from Washington. The country's leader skipped a call from President Biden as the U.S. rallied support for Ukraine.

By Stephen Kalin, Rory Jones and Michael Amon

RASHED AL-MANSOORI/UAE'S MINISTRY OF PRESIDENTIAL AFFAIRS/AFP/GETTY IMAGES

Emirati President Sheikh Mohamed bin Zayed Al Nahyan has been invited to the White House.

Now, Emirati President Sheikh Mohamed bin Zayed Al Nahyan has been invited for a state visit to Washington, and the U.S. and U.A.E. are hammering out a formal agreement on defense and commerce after jointly committing $100 billion for clean-energy projects. All the while, the Emiratis have expanded ties with Russia and another U.S. rival, China.

Sheikh Mohamed and the U.A.E. have emerged as winners from the geopolitical reordering since Russia invaded Ukraine in February 2022, but not without a cost. A friends-with-everyone strategy has tested relations with the petrostate's biggest ally, the U.S., as Sheikh Mohamed takes a leadership role in a new Middle East that is closer to Russia and China.

In rare interviews, senior Emirati officials said Sheikh Mohamed, known by his initials MBZ, doesn't see the U.A.E.'s close U.S. relationship precluding ties with Moscow or Beijing. Instead, they say, such links can help Washington. "We are not going to be defined by great-power rivalry," said Anwar Gargash, his foreign-policy adviser.

For instance, in October, Sheikh Mohamed met Russian President Vladimir Putin one-on-one in St. Petersburg, where he reinforced U.S. interest in a prisoner swap for WNBA star Brittney Griner and offered to assist in the exchange, said people familiar with the matter. Eight weeks later, Ms. Griner was freed at an Emirati air base in exchange for Russian arms dealer Viktor Bout.

Making Inroads

A senior Biden administration official said the White House has watched Sheikh Mohamed make inroads in recent years with Russia and China that have frayed the U.A.E.'s relationship with Washington. U.S. officials have warned him that cooperating too closely with those countries on military and intelligence matters would imperil relations with America.

The official said Sheikh Mohamed has consulted U.S. officials about Russia and China more in recent months, and that Washington's relations with him are improving. Before and after visiting Russia, for example, he spoke with U.S. and United Nations officials and later called Ukrainian President Volodymyr Zelensky.

Washington counts the U.A.E. as a key partner in fighting terrorism and stabilizing global energy markets, with massive investments in the U.S. Sheikh Mohamed normalized relations with America's top Middle East ally, Israel, in 2020.

The U.S. has been the U.A.E.'s most important foreign ally since the country's founding in 1971, when Sheikh Mohamed's father united seven independent emirates. In the past decade, the soft-spoken 62-year-old has charted rapid economic expansion, liberalized society and buttressed authoritarian rulers across the Middle East, including developing stronger ties with Iran and Syria.

In recent years, he has navigated a rocky relationship with the U.S. Construction of a secret Chinese military base near Abu Dhabi nearly upended the U.S. relationship in 2021. Sheikh Mohamed stopped the project under pressure from Washington, said a senior Biden administration official. Emirati officials said they believed it was a purely commercial port.

Growing ties to China have clouded the sale of advanced F-35 jet fighters to the U.A.E., and the U.S. protested it hiring China's Huawei Technologies to build out its 5G network.

Twice in the past seven months, the U.A.E., through the Organization of the Petroleum Exporting Countries, has cut oil output in coordination with Moscow, despite U.S. objections. U.S. officials have warned the U.A.E. repeatedly against helping Moscow evade sanctions as Russians flock to Dubai to trade oil, buy property and hide money. The U.S. and European Union have sanctioned Emirati companies that facilitate Russian oil trades and supply Moscow's industrial base. But higher oil prices and a property-market boom fueled partly by wealthy Russians have driven Emirati economic expansion. U.S. and Emirati officials say Sheikh Mohamed forged a more independent foreign policy as he watched U.S. policy seesaw during four administrations.

Relationship Reset

"The tone of the relationship has changed. It's no longer one where D.C. picks up the phone and tells Abu Dhabi what to do and Abu Dhabi just follows suit," said Dina Esfandiary, senior Middle East adviser at the International Crisis Group, a Brussels-based think tank, and author of a book on the U.A.E. "The flip side of that is that sometimes the U.A.E. is not going to get what it asks from the U.S., because it hasn't just done what the Americans wanted."

Emirati officials say they have felt unsure about America's commitment since strikes in 2019 on Saudi oil fields and tankers in Gulf waters were blamed on Iran and met with no public response. Before that, Emirati officials say they were blindsided by the Obama administration's secret talks with Iran that led to the 2015 nuclear deal, which the U.A.E. opposed. They also complained about Washington's response to January 2022 drone and missile attacks by Yemen's Houthi rebels against Abu Dhabi.

The U.A.E.'s wealth is built not only on oil but also its status in a volatile region as a haven for finance, logistics and tourism. It brooks no dissent and maintains a pervasive security state, enabling a country of only about one million citizens to host eight million foreigners.

"This whole model is dependent on the safety, security and stability of people, flow of goods and commodities," said Lana Nusseibeh, the U.A.E.'s ambassador to the U.N.

At Sheikh Mohamed's palace, messages flooded in after the 2022 attacks from world leaders offering solidarity. Mr. Biden didn't call. A couple of weeks later, the U.S. sent jet fighters and a guided-missile destroyer. When a senior U.S. commander visited, Sheikh Mohamed refused to meet. Weeks later, he didn't take Mr. Biden's call on Ukraine, The Wall Street Journal reported.

American officials say they underestimated the threat perceived by the U.A.E. One official cited the use of U.S.-supplied weapons to defend against the attacks as proof of Washington's security commitment.

In his talk with Mr. Biden last July on the sidelines of a regional summit, Sheikh Mohamed expressed frustration with what he sees as the U.S. abandoning its security guarantees, said people familiar with the matter. Mr. Biden invited him to Washington, where they are expected to pledge cooperation on security, energy, business and religious tolerance.

Brazil Set To Change How It Prices Oil

By Samantha Pearson And Luciana Magalhaes

SÃO PAULO—Brazil's state-controlled oil giant, **Petrobras**, said it would end its yearslong policy to peg the cost of fuel to international prices, dealing a blow to investors as the leftist government of President Luiz Inácio Lula da Silva looks to control inflation.

Petróleo Brasileiro, known as Petrobras, on Tuesday said it would change its pricing system, in which domestic fuel prices are pegged to the international market, and instead use other "market references," such as the prices of other suppliers. Petrobras offered scant detail and said there was no defined timeline for the adjustments.

Oil analysts said the company offered little clues on what to expect next.

Adriano Pires, a leading Brazilian oil expert who last year turned down the job of Petrobras CEO, said the policy seemed to be "a way for them to keep prices artificially low."

The shift was largely expected. Mr. da Silva, the 77-year-old veteran of Latin America's left who previously held office from 2003 to 2010, has argued the government should protect the country from spikes in international fuel prices.

Under previous administrations by Mr. da Silva's Workers' Party, Petrobras was used as a vehicle for government intervention in the economy. Between 2011 and 2016, the company was forced to sell fuel below cost to combat inflation, a policy that cost about $30 billion and turned it into the world's most indebted oil company. Fuel prices have stoked inflation, pushing up interest rates to 13.75%—a major obstacle, Mr. da Silva said, to economic growth.

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WORLD WATCH

LEE JIN-MAN/ASSOCIATED PRESS

ENLIGHTENED: Monks in Seoul clean for a celebration of Buddha's birth this month.

GERMANY

Five Men Convicted In Jewelry Heist

A German court convicted five men Tuesday of breaking into a Dresden museum and stealing 21 pieces of jewelry containing more than 4,300 diamonds. The men ages 24 to 29 received prison sentences ranging from four years and four months to six years and three months, German news agency dpa reported. One defendant was acquitted.

The Dresden state court ruled that the five were responsible for the theft of the 18th-century jewelry from the Green Vault Museum on Nov. 25, 2019. Officials said at the time that the stolen items included a large diamond brooch and a diamond epaulet.

The pieces taken had a total insured value of at least 113.8 million euros ($124 million).

The men were accused of starting a fire just before the break-in to cut the power supply to streetlights outside the museum, and setting fire to a car in a nearby garage before fleeing to Berlin.

They were caught several months later during raids in Germany's capital.

The Green Vault contains the treasury of Augustus the Strong of Saxony, comprising around 4,000 objects of gold, precious stones and other materials.

—Associated Press

LEBANON

France Seeks Arrest Of Top Bank Official

A French investigative judge issued an international arrest warrant for Lebanon's embattled central bank governor after he didn't show up for questioning in France on corruption charges, a Western diplomat said.

Longtime central bank Gov. Riad Salameh was supposed to appear before French prosecutors Tuesday as part of a continuing European probe.

Lebanese officials haven't confirmed receipt of the arrest warrant or commented on the development.

Mr. Salameh said he would appeal the decision calling it a "clear legal violation."

A European judicial team from France, Germany and Luxembourg has been conducting a corruption investigation into an array of financial crimes they allege were committed by Mr. Salameh and a long list of his associates from Lebanon's central bank, as well as Lebanese commercial banks and auditing companies.

The allegations include illicit enrichment and laundering of $330 million.

Mr. Salameh, 72, who has held his post for almost 30 years, has repeatedly denied all allegations against him.

—Associated Press

ITALY

Drug Dog Sniffs Out 3 Tons of Cocaine

With the help of a high-leaping dog with a fine nose for cocaine, Italian police seized more than 2,700 kilos (about 3 tons) of the drug hidden in 70 tons of boxed bananas shipped from Ecuador, authorities said Tuesday. Police estimated that the cocaine could have brought traffickers more than 800 million euros ($869 million) in street sales if it had reached its ultimate destination in Armenia.

Customs police became suspicious about two containers on a cargo ship that recently arrived at the port of Gioia Tauro, a stronghold of a 'Ndrangheta organized-crime clan. Police told Italian state radio that documents and a background check indicated the shippers of the bananas weren't in the business of moving that much fruit.

Officers used scanning machines and the dog, named Joel, to uncover packets of cocaine hidden in boxes stacked meters-high in container trucks.

Joel leapt high and eagerly when the officers opened the back doors of the truck, and pawed furiously at the unloaded boxes to try to move the bananas aside, police recounted.

The Gioia Tauro port has long been under the watch of anti-Mafia investigators.

—Associated Press

Our friend and colleague, ***Evan Gershkovich****, was detained in Russia on March 29 during a reporting trip and accused of espionage. Today marks 50 days since his detention. The Wall Street Journal and the U.S. government vehemently deny the allegation and have called for his immediate release.*

Evan's Journal colleagues will be sharing stories of their work with him each week.

To show support for Evan, please follow the latest updates at ***WSJ.com/Evan*** *and add the hashtag* ***#IStandWithEvan*** *across social media.*

Russia is a very difficult and complex story to cover, but Evan is perfectly equipped for it. He understands U.S. journalism and understands the U.S., but his fluency in Russian makes him a bridge between the cultures. There are not many people with the talent, the language skills, the knowledge of Russia and the necessary documents to be able to work there and do it as well as Evan can. I think he understood this well.

Evan and I started at The Wall Street Journal's Moscow bureau on the same day, exactly a month before Russia invaded Ukraine in February 2022. When the war started, it was a personal tragedy for Evan, more so than for many of us who didn't have heritage from the region. But he has covered it compassionately and objectively, knowing that letting emotions get in the way would impact his ability to do the job.

He was arrested in the course of doing that job, gathering material to help readers in the West understand Russia in wartime. The idea that he was engaged in espionage for the U.S. government is outlandish. He should be immediately released to continue doing his job because he is one of very few journalists right now who can cover Russia in a way that sheds light on the country at a critical time. And I think we really, really need that coverage right now.

Matthew Luxmoore
WSJ Reporter

#IStandWithEvan

THE WALL STREET JOURNAL.

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Nations Bid for Workers

Continued from Page One

ages and wage inflation, according to economists and some U.S. officials.

Unemployment is at a record low 4.8% across the 38 largely affluent countries that make up the Organization for Economic Cooperation and Development. These and other nations report a long list of open positions from truck drivers to baggage handlers.

Beyond being needed to fill pandemic-driven labor shortages, migrant workers are in demand to fill the gap left by retiring baby boomers and declining populations, economists and Western officials say. "The labor forces of richer countries are hollowing out," said Michael A. Clemens, an economics professor at George Mason University.

Governments across affluent countries are balancing the economic need for more workers with the political reality that very few electorates are enthusiastic about high levels of immigration.

In Europe and North America, the working-age population is expected to decline from 730 million to 680 million over the next two decades, according to United Nations estimates. Such places as South Korea and Taiwan stand to lose more than half their workforce over the coming decades. The working-age population in sub-Saharan Africa, meanwhile, will increase by 700 million by 2050, according to U.N. projections; in Latin America and the Caribbean, the U.N. estimated an increase of 40 million by midcentury.

For many wealthier countries, labor surpluses abroad are hard to resist. The global labor imbalance, in effect, is driving foreign workers into the open arms of nations that need them.

Around five million more people moved to affluent countries last year than left them, up 80% from prepandemic levels, according to a Wall Street Journal data analysis. The Journal examined 10 countries that received most of the migration, including the U.S., Germany, the U.K., Canada, Australia and Spain. Migration experts say it is the highest number ever reported. That total includes about two million refugees from Ukraine. Even excluding that surge, net migration was significantly higher than 2019 levels, according to the data.

Germany is rewriting immigration laws to bring in more college graduates as well as blue-collar workers under a new points-based system. Points will be awarded based on age—younger people receive more—educational qualifications, work experience and German-language competency. Canada announced plans late last year to take in nearly 1.5 million more migrants by 2025. Western Australia recently sent a delegation to the U.K. and Ireland to recruit tens of thousands of workers, including police, mechanics and plumbers.

South Korea plans to admit 110,000 low-skill foreign workers this year to work in industries such as farming and manufacturing, up nearly 60% from last year's quota. Japan, which is opening new visa paths for high-skilled foreign workers, announced in April plans to offer blue-collar workers—including those at factories and farms—a chance to extend their stay and even bring their families. Both countries have been longtime skeptics of immigration.

Spain amended its laws last year to allow more foreign workers from outside the European Union to fill blue-collar jobs left open by a shrinking working-age population. José Luis Escrivá Belmonte, Spain's minister of inclusion, social security and migration, estimated that his country will need to add 300,000 foreign workers a year to keep the economy running and support the national pension system.

Spain's unemployment rate is 13% and has been around that level or higher for 15 years. Mr. Escrivá said unemployed Spaniards tended to be age 50 or older and not necessarily suited to fill open jobs needed in sectors such as agriculture, construction or film production.

Border barriers

José Antonio Moreno Díaz, an official at Spain's Trade Union Confederation of Workers' Commissions, which represents over a million workers, including migrants, said training opportunities for higher-paying jobs should be offered to citizens. "We are not against bringing in real needed foreign workers," he said. "But let's pay attention to unemployed people in the Spanish labor market."

Opponents in various countries warn of citizens losing jobs to outsiders willing to work for less money. Some say the cost of providing newcomers with healthcare, education and other public services outweighs the economic benefits, especially for low-skill workers who pay little in taxes.

Others argue that such immigration is a quick fix that slows economies in the long term. "Labor shortages are very healthy," said Mikal Skuterud, an economics professor at University of Waterloo in Ontario, Canada. "They force employers to use existing workers more efficiently and invest in technology, that's all good stuff."

Finland and Greece are building hundreds of miles of new land barriers to prevent illegal migrant crossings. In Italy and Sweden, voters recently elected governments with a more restrictive approach to immigration, and both are planning reforms to slow both legal and illegal migrant arrivals.

The U.S. hasn't made any significant immigration reforms in 33 years, and the last serious attempt in Congress dates back a decade or more. Few issues are so politically divisive in Washington, making any chance of a policy overhaul unlikely, according to immigration experts.

Despite restrictive immigration policies, migrants seeking work in the U.S. are finding jobs more quickly and at higher pay than at any time in recent memory. Tens of thousands of people crossed into the U.S. from Mexico illegally and were arrested over the past 10 days, while some 20,000 were detected by various forms of surveillance but not caught, the U.S. Border Patrol chief wrote on Twitter.

In the U.S., the limit on H-1B visas available for highly skilled workers has changed little since 1990. Presidential administrations over the past 15 years have clamped down on illegal border crossings without creating new legal immigration pathways, prompting more urgent discussions about immigration policy and the labor shortage, said Giovanni Peri, chairman of the economics department at the University of California, Davis where he directs the Global Migration Center, whose recent research favors more immigration.

More arrests

U.S. Border Patrol agents made a record 2.2 million arrests along the Mexican border in the 2022 fiscal year, up from 1.65 million arrests in 2021. The migrant crossings were driven, in part, "because the U.S. economy is screaming out for their labor," said Mr. Clemens, the economist.

New channels have recently opened. More than 300,000 Ukrainian refugees entered the U.S. since Russia invaded Ukraine last year, many through a Biden administration program called Uniting for Ukraine. That number is more than the total number of refugees admitted into the U.S. through legal channels over the previous seven years. In North Dakota, energy companies are tapping Ukrainians to fill jobs in the Bakken oil fields.

Around 450,000 migrant refugee workers—largely from Afghanistan, Ukraine, and Latin America—entered the U.S. legally in 2021 and 2022 and are working under temporary government protections in industries with labor shortages, according to an April report by FWD.us, a pro-immigration think tank. Those workers are estimated to have filled about a quarter of total job openings this year in such industries as construction, food services and manufacturing, the report said.

The labor shortage is pushing inflation in affluent countries where employers, competing for workers, are raising wages to hire and keep them. "I do think more migrant workers would reduce the inflation rate," said Spencer Cox, the Republican governor of Utah, which has a 2.4% unemployment rate, slimmer than even the U.S. rate of 3.4%.

Gov. Cox and Republican Gov. Eric Holcomb of Indiana, which is also short of workers, want to rally other governors in a long-shot proposal for Congress to give states a measure of authority over legal immigration.

The U.S. and other countries are divided about how to limit illegal immigration while keeping a pathway for a flow of potential employees for various industries. A plurality of Americans think the U.S. should admit fewer migrants, according to recent Gallup polls.

To gather bipartisan support for increased legal immigration, Utah Gov. Cox said, the U.S. needs to demonstrate better control over the southern border. "Scenes of tens of thousands of migrants streaming across the border in a way that could threaten national security," he said, "make it harder to have that higher-level conversation."

Mathias Senn, a butcher in Germany's wealthy Black Forest region, posted job ads seeking to replace four of 10 employees who were preparing to retire. "There were no interested people," he said. "Nothing at all."

Last year, Mr. Senn hired an apprentice from India, under a new law that allowed businesses to hire unskilled people from outside the EU. Local business associations are helping hundreds more workers arrive from India.

Mr. Senn's 22-year-old apprentice, Rajakumar Bheemappa Lamani, makes about 940 euros a month, around $1,020, while learning the ropes. Mr. Lamani said it was difficult to save money because of the high cost of living, but he hoped to stay.

Clockwise from top, Rajakumar Bheemappa Laman, a 22-year-old apprentice from India, working at the butcher shop of Mathias Senn in Germany, which is experiencing a labor shortage; Ukrainian refugees attending a job fair this year in Brooklyn, N.Y.; a Vietnamese migrant worker last year in Honjo, Japan.

CLOCKWISE FROM TOP: DOMINIC NAHR FOR THE WALL STREET JOURNAL; ANDREW KELLY/REUTERS; CARL COURT/GETTY IMAGES

JOHN MOORE/GETTY IMAGES

A line of immigrants waiting last week to be processed by government officials in El Paso, Texas, after crossing the Rio Grande from Mexico into the U.S.

That Salon Visit Is for Your Dog

Continued from Page One

ative agency owner in West Hollywood, Calif.

When Ms. Claire drove to Idaho to adopt Penelope in 2020, she didn't realize how difficult grooming her would be. Daily upkeep requires two brushes and a comb. If she's lax, her dog gets a matted coat and runs the risk of ear infections. "She's like a big Muppet gorilla," she says.

As poodle mixes have exploded in popularity, so too have the headaches and bills for their owners. Beloved partly for their low-shedding, humanlike hair, dogs such as goldendoodles, Bernedoodles and cockapoos require a lot of maintenance. Owners say the pandemic dog boom has made appointments scarce as well as expensive.

"Owners tell us all the time that 'I don't even pay this much for my haircut,' but imagine if a person is washing you and doing your nails. It all adds up," says Joshua White, co-owner of Dogue Spa in West Hollywood, where Ms. Claire is a client. Grooming for "high-maintenance" doodles costs between $125 and $230, compared with $115 to $185 for all other breeds, he says.

Julie Rust, who owns the Fluffy Ruff Dog Spa in Bainbridge Island, Wash., says her business is grooming more "mega-doodles."

Thanks to the dogs' size, along with their unusual coats, "a lot of times it takes us longer to groom than we plan," Ms. Rust says. If doodle clients are unwilling to commit to a regular grooming schedule every four to six weeks, she asks them to go elsewhere.

Fanny Karpman's labradoodle, Gracie Rainbows, has a standing Friday blowout appointment. Ms. Karpman, an influencer in Los Angeles, says she spends $400 a month on the service because it's easier to comb out Gracie's hair when it is straightened.

She says she tried more than a dozen groomers before finding one able to wrangle her dog's coat. Now she schedules appointments a year in advance. "If you have a doodle, it's like the black market if you can find a good doodle groomer."

Ms. Karpman says outsourcing Gracie's grooming is better than doing it herself.

When she first got the 32-pound pet, she tried to fill a bathtub and wash and brush her dog. Instead, she got into a fight with her husband and the dog couldn't keep still to get the knots brushed out—leaving Ms. Karpman in tears.

Goldendoodles, a poodle and golden retriever mix, were the second-most popular puppy breed, according to 2022 research from pet-sitting platform Rover. Labradoodles, a Labrador retriever and poodle mix, and Bernedoodles, a Bernese Mountain dog and poodle mix, were also in the top 20.

Goldendoodles were the most costly breed, according to a 2023 Rover survey of 1,500 pet owners.

JUTHARAT PINYODOONYACHET FOR WSJ

Milo at Chateau le Woof

Jenniffer Walter lives in Bayside, N.Y., and is a manager for a beauty salon for humans. Her 50-pound husky-poodle mix's coat takes 20 minutes to brush each morning.

Monthly groomer visits for Megan Fox (so named because "she looks like a model," Ms. Walter says) include a facial mask, take two hours and cost $120.

Natassa Contini, founder of Chateau le Woof, where Ms. Walter brings her dog, says grooming appointments have a two-month wait list. Roughly 70% of her clients own doodles, many of which can't sit still for grooming. She keeps CBD treats, freeze-dried broth and beef livers and hearts on hand to calm the dogs.

In Chicago, Ravenswoof grooming salon owner Julie Walsh says owners are usually surprised that even keeping a doodle's coat short can require frequent grooming trips. Matting or tangles can damage the skin, she says.

"We get a lot of people that are in shock," she says.

Pamela Berkowitz, a Chicago-based lawyer, says she was "fired" from the groomer she used for her pandemic puppy, Bernice. After picking the bernedoodle up from the groomer, she realized her dog was entirely shaved. When she questioned the outcome, the groomer asked her not to return. "It hurt my feelings," she says.

Ms. Berkowitz now takes her pup to Ravenswoof. Her grooming schedule now allows her dog's coat to grow a bit more. She is still never sure whether Bernice will come back with her hair shaved, but she now understands why it happens.

"Maybe that's just Bernice's plight," Ms. Berkowitz says. "I also have curly hair, so I relate."

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CARRY ON
DAWN GILBERTSON

ILLUSTRATION BY VIRGINIA GABRIELLI; BRITTANY MURRAY/GETTY IMAGES

Airline Routes Can Fly the Coop

Budget carriers frequently experiment with flights and yank them quickly if they don't perform

Ghosting isn't just a hazard of job interviews or dating.

Carrie Hemler says her airline ghosted her. The Pennsylvania teacher scooped up cheap tickets on Avelo Airlines in April for a family vacation in August. Less than a month later, the airline sent an email saying it was suspending the Wilmington, Del.-to-Florida route in early July.

"We're like, what are we going to do?" Mrs. Hemler says.

Airlines big and small shake up their route networks regularly. The pace of change is especially dizzying at budget airlines like Avelo, Breeze and Frontier, with new flights disappearing and leaving some travelers in a lurch. Mrs. Hemler is now flying Avelo to Fort Lauderdale instead of West Palm Beach a few days earlier than planned, and will have to rent a car to get to her mother's house instead of getting a ride from family.

It's all part of the price of flying the airline equivalent of a test lab. Rapidly growing low-cost airlines aggressively and unapologetically experiment with mostly underserved, unproven routes.

They introduce new flights with local airport fanfare and eye-catching fares—one-way flights for as little as $19 or $39 before fees—but pull the plug quickly and quietly if they don't draw enough passengers at the right price. Sometimes it's a route or flight frequency that gets the ax, other times an airport.

Now you see them

Two-year-old Avelo began flights to Florida from Lexington, Ky., and Newport News, Va., in late 2022. By mid-April, it was no longer serving either airport. Avelo has exited seven airports since it began, though part of that is because of its launch during the pandemic, the airline says.

"We are purposely trying to do [flight] combinations that have probably, in many cases, never been done before. There's going to be cases where you just get it wrong," says Avelo Chief Executive Andrew Levy, who previously worked for Allegiant and United. "We're like any other business. We've got to make the numbers work."

Mr. Levy says Avelo struggled in Lexington because of competition to Florida from Allegiant and flights at nearby airports. He says the airline couldn't get seats away between Lexington and Tampa, for example.

Breeze, which turns two next week, trumpeted three cross-country routes from Westchester County, N.Y., a year ago, with service set to begin last fall. A San Francisco route was canceled before it began, another to Las Vegas lasted a month and the third, to Los Angeles, ended in April. The airline, which still offers flights from Westchester to Florida and other destinations, blames factors including congested New York airspace, limited gates and delayed aircraft deliveries.

Breeze eliminated its route between Los Angeles and New York's Westchester County in April.

In Phoenix, Frontier Airlines has already cut three of 10 nonstop flights it launched less than six months ago with introductory fares as low as $19, ending flights to and from Philadelphia, Minneapolis and Fort Lauderdale. Frontier says it periodically reviews and updates routes based on demand, seasonality and other factors.

The airlines have plenty of successes, too. Avelo now offers 17 destinations from New Haven, Conn., where it is the only commercial airline, and says overall demand in Wilmington is strong. The company just posted its third monthly profit, Mr. Levy says.

Charleston, S.C., has been a hit for Breeze, and the airline is seeing success with new flights in Hartford, Conn., and Providence, R.I., says Lukas Johnson, chief commercial officer. In the next few weeks, it will unveil 37 routes, 30 of them new and the rest returning seasonal routes.

Mr. Johnson says Breeze has exited two airports: Oklahoma City and San Antonio.

Limited leverage

Airports, which often subsidize new service, aren't thrilled when budget flights disappear. Yet any service is coveted, especially in smaller communities that have lost service from major airlines and their regional partners, says Brad DiFiore, managing director at Ailevon Pacific Aviation Consulting.

"You're willing to take the good with the bad, because there's been a lot of good," he says.

This see-what-sticks scheduling means buying tickets on these airlines can be a bit of a gamble, especially if your schedule isn't flexible. I've flown them all and booked my mom on a $99 one-way ticket from Hartford to Phoenix on Breeze. The only hiccup was a lengthy weather delay.

"I just flew two weeks ago from Palm Springs [Calif.] to Eugene [Ore.], now they don't fly there anymore," one traveler posted on Avelo's Facebook page in early May. "How often are flight locations going to be changed? How do you book anything in advance?"

The budget airlines say they always aim to fly the published schedule, and say they try to give travelers as much advance notice as possible when flights are pulled. Unlike major U.S. airlines, which sell tickets up to a year in advance, their windows are shorter. Avelo is selling tickets through Halloween, Breeze through mid-November.

Avelo didn't give Lexington travelers much time, though. The airline announced its exit in late January—the last flights were on Feb. 21. Mr. Levy says the number of travelers inconvenienced was "minimal" given the lackluster demand.

In Newport News, Mr. Levy says, the airline could have cut its losses and stopped service in February when it decided to leave the airport, but it continued service through Easter.

"We didn't want to disrupt people's vacations," he says.

Passengers are entitled to a refund or rebooking on the airline when their flight is canceled, though the latter isn't always an option given limited flight schedules. It's the same thorny issue facing travelers on budget airlines when bad weather or maintenance issues strike.

Another thing to keep in mind: A refund of those cheap tickets isn't going to go too far on other airlines. Mrs. Hemler paid $416.70 for three round-trip tickets on Avelo to Florida, including reserved seats. If the Fort Lauderdale option on Avelo wasn't available, she would have had to buy tickets on another airline to West Palm Beach.

The going rate this week for a nonstop flight on American from Philadelphia in early August: $340 per person in the main cabin.

MY RIDE | A.J. BAIME

'El Hemi' Made It to Venezuela and Back

Juan J. Escalante and son Caylor Escalante with 'El Hemi'

Juan J. Escalante, 58, an international construction equipment salesman living in Miami, on his 1970 Dodge Hemi Challenger R/T, as told to A.J. Baime.

I was initially raised in Caracas, Venezuela. In 1969, my father José's best friend moved to Detroit to work for Chrysler. After six months, he called and said to my father, "Why don't you come up here? This is heaven." They were both car nuts. So my father sold his 1968 Dodge Dart, quit his job, and we moved as a family to Michigan when I was 4. My father went to school and then got a gig with a Chrysler supplier in Michigan.

He had a little money saved from the sale of his Dodge Dart, and he knew exactly what he wanted. He went to a local Chrysler dealership and ordered a Dodge Hemi Challenger R/T, orange with black interior. [Dodge was a division of Chrysler at that time.] His buddy co-signed for the car (I have the original paperwork), and because his friend worked for Chrysler, my father got to see the car as it moved along the assembly line.

On Dec. 12, 1969, he and my mother went to the dealership and picked up this car. It has been a member of the family ever since.

In 1973, my father and his best friend went back to Venezuela to work for Chrysler there. So we took this car and, as far as I know, it was the first Hemi Challenger in Venezuela. That is where it got its name: "El Hemi."

In 1984, I got a scholarship to play college baseball in the U.S. So I came here, finished my degree in Indiana, and settled in Indiana, where my son, Caylor, was born in 1991. In 1996, I called my father in Venezuela and said, "Dad, we need to get El Hemi restored." He said, "OK, I'm going to sign the car over to you and your brother. Good luck with the restoration."

We shipped El Hemi to America and, from 1996 to 2002, I kept it in my small garage in Indiana while I gathered parts. In 2002, we gave the car to a well-known restorer in Wisconsin. The restoration took three years. During that time, my father would come to visit in summers, and we would go to Wisconsin to see the progress. Once, we went back to Michigan to the speed shop where my father used to buy performance parts for the car in the early 1970s. The owner was still there, and he remembered the car.

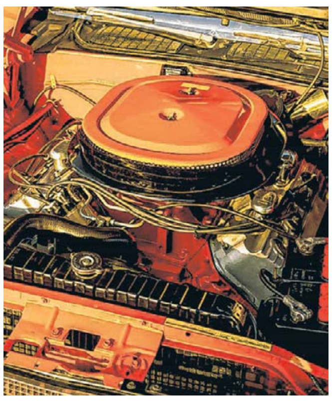
Then, halfway through the restoration, my father passed. It was a tough blow. He never got to see El Hemi finished.

For years now, I have been driving this car. I take it out late at night when there is no traffic in Miami, and on weekends. I have shown the car at SEMA [the Specialty Equipment Market Association trade show] in Las Vegas, and at the Muscle Car and Corvette Nationals, an invitation-only show, outside Chicago. I try to put about 1,000 miles on the car every year.

My son, Caylor, has grown up around El Hemi. He works in New York now, and when he is in Miami, we take the car out. We have taken pictures of him with it since he was 1 year old, and he was in Miami with me the day we took photos for this story. My brother, Gus Escalante, has two sons, Luis and Diego, and we have made El Hemi a family project. The next generation will soon be caretakers of this car. We have taught them that if you take care of things, they will serve you well in the future. The car is a wonderful way for all of us to connect to our roots.

My brother and I will not be here when this car turns 100 years old. But our sons will.

We know El Hemi will be in good hands.



DEVIN CHRISTOPHER FOR THE WALL STREET JOURNAL (4)

The Challenger's 426-cubic-inch Hemi V-8; Mr. Escalante's son has been around the car nearly all his life.

SHUTTERSTOCK

Doctors Warn of Danger Inside Your Sandwich

By Andrea Petersen

The deli meat in your turkey sandwich is the latest public-health villain.

New York City is eliminating processed meats from the meals it serves in public schools, hospitals and via other programs by 2025. The World Health Organization is coming up with recommended limits on processed meats. And U.S. agencies have set sodium-reduction goals for the products.

Behind the decisions is a growing body of research that links processed meats such as sliced ham, bacon and sausage to a range of health problems, including heart disease, stroke, Type 2 diabetes, certain types of cancer and dementia. The findings have governments and many doctors pushing people to eat less processed meat and urging food companies to make healthier products. Processed meats are one of a number of foods—from sandwiches to chocolate milk—drawing scrutiny from doctors and nutritionists as Americans' poor dietary habits contribute to a host of health problems.

"For decades, fathers and mothers have been sending children to school with low-fat chicken, turkey deli meat thinking they were doing good," says Dariush Mozaffarian, a cardiologist and professor of nutrition and medicine at Tufts University who has studied the health risks of processed meats. "These foods are toxic."

The science of processed meat

Scientists are finding that there is something especially harmful about processed meat, which includes meat that is cured, smoked or otherwise preserved. During curing, smoking and preserving, meats are typically loaded with sodium. One study found that levels of sodium in processed meats are about 400% higher than that of unprocessed meat.

Excess sodium increases blood pressure, which raises the risk of heart attack and stroke. Each serving a day of processed meat is associated with a 42% increased risk of heart disease and a 19% increased risk of diabetes, according to a review of research co-written by Dr. Mozaffarian and published in the journal Circulation in 2010. More-recent research has found similar results.

Sales of processed meats are robust, says Chris DuBois, an executive vice president at market-research firm Circana. U.S. sales hit $29.4 billion in 2022, up from $22.9 billion in 2018, according to Circana data. Retail sales volume dipped less than 1% during that time. Mr. DuBois points to more people working and cooking from home, the popularity of protein foods and processed meats' "taste and easy accessibility" as reasons for their popularity.

Meat less

The World Health Organization plans to release new recommendations for limits on the consumption of processed meats by 2025, says Francesco Branca, director, department of nutrition and food safety at the WHO. In 2015, the organization's International Agency for Research on Cancer evaluated the cancer risk posed by processed meat and classified the foods as "carcinogenic to humans." The agency said each 50-gram portion of processed meat eaten daily increases the risk of colorectal cancer by 18%.

In 2021, the U.S. Food and Drug Administration, in collaboration with the U.S. Department of Agriculture, issued voluntary goals for food manufacturers—which will be in place until spring 2024—to reduce the sodium content in processed and packaged foods, including processed meats.

In New York's mission to nix processed meats from the 230 million meals it serves a year, the city's public schools are ahead of schedule, says Kate MacKenzie, executive director of the Mayor's Office of Food Policy. The last "violator" food, a turkey breakfast sausage, will be out by the end of the current school year, she adds.

Problems with preservatives

Research has also linked nitrites, preservatives used to prevent the growth of bacteria and extend foods' shelf life, to health risks, particularly colon cancer. Nitrites can create chemicals called N-nitroso compounds that can damage DNA and lead to cancer, says Robert J. Turesky, professor in the department of medicinal chemistry at the University of Minnesota.

These compounds may also explain the connection between consumption of processed meat and an increased risk of dementia, partly because the compounds can drive inflammation, according to the authors of a study published in 2021 in the American Journal of Clinical Nutrition.

Levels of sodium in processed meats are about 400% higher than that of unprocessed meat, according to a study.

Some processed-meat products use natural forms of nitrates, often celery powder. They likely also have health risks, says Karen Collins, a registered dietitian nutritionist and nutrition adviser to the American Institute for Cancer Research.

Confusingly for consumers, products with celery powder or other forms of natural nitrates generally bear a label stating "No nitrates or nitrites added." The fine print on the package often states "except for those naturally occurring in celery powder."

$29.4B
U.S. sales of processed meat in 2022, up from $22.9 billion in 2018

The processed-meat industry says nitrites are safe at the levels its companies use and that their products are "convenient sources of protein that are packed with key vitamins and minerals," says Sarah Little, a spokeswoman for the North American Meat Institute, a trade group. Ms. Little says meat companies also offer reduced-sodium products.

Some food makers, particularly in Europe, are launching processed meats without natural or inorganic nitrates or nitrites.

Northern Ireland-based Finnebrogue, for example, sells "Naked Bacon," which uses salt and other methods to preserve the bacon and a blend of fruit extracts to keep the meat looking pink. The company says it sold $35 million of Naked Bacon last year.

Dr. Mozaffarian at Tufts says that since the health risks of processed meats are largely created during manufacturing—the unprocessed turkey, pork and beef don't have the same negative health impacts—the industry should be able to create healthier products.

He adds that he himself is a fan of the occasional BLT. "We should demand that the industry fix it so we can all eat bacon and hot dogs."

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More People Are Falling Behind On Their Credit-Card and Car Debt

DAVID PAUL MORRIS/BLOOMBERG

By Joe Pinsker

More Americans are having a harder time keeping up with their car, credit-card and mortgage payments compared with a year ago.

The share of debt balances that became at least 90 days delinquent in the first quarter of 2023 was 1.08%, up from 0.71% a year earlier, according to a report from the Federal Reserve Bank of New York released on Monday.

About 4.57% of consumers' credit-card debt transitioned to 90-plus days delinquent last quarter, compared with 3.04% in the first quarter of 2022. That transition rate also increased year-over-year for auto-loan debt, to 2.33% from 1.61%, and mortgage debt, to 0.59% from 0.34%.

The age group with the highest transition rate across all categories of debt was 18- to 29-year-olds. The rise in delinquencies among younger Americans is particularly concerning, given millions of borrowers don't currently owe any money each month because of a freeze on federal loan payments.

"These increases in delinquencies are occurring while student-loan payments are still paused," said Aaron Klein, a senior fellow at the Brookings Institution. "When student-loan payments resume, one can expect delinquencies could well rise, not just in student loans but in other types of debt."

Mr. Klein said more people are struggling with their monthly payments in part because of high inflation. The rise in delinquencies from early 2022 to early 2023 also reflects the fact that some of the factors that helped Americans early in the pandemic have faded.

These days, many Americans have less working in their favor financially.

Government pandemic stimulus, for instance, made it easier for people to keep up with their bills. And many homeowners took advantage of a decline in interest rates to refinance their mortgages.

"With people falling behind on their bills with unemployment at historic lows, [that] says for a large number of Americans the cost of basic living is challenging," Mr. Klein said.

High inflation contributed to the share of auto-loan debt that became delinquent.

Roughly 14 million mortgages were refinanced between the second quarter of 2020 and the end of 2021, according to the New York Fed. Homeowners who did cash-out refinances extracted an average of $82,000 of their home equity, and those who did rate refinances on average lowered their monthly payment by $220.

Other parts of the economic picture are less ominous. The labor market continues to be strong, while retail sales, which include spending at stores and restaurants, increased a seasonally adjusted 0.4% in April, a modest increase over March, the Commerce Department said on Tuesday.

Still, many Americans have less working in their favor financially than they did in recent years.

"Pandemic support has gone away, inflation has put in a set of costs, and the mortgage refinance boom is gone," Mr. Klein said.

ARTS IN REVIEW

Riccardo Muti and the Chicago Symphony Orchestra in concert on May 11

TODD ROSENBERG

CULTURAL COMMENTARY

The Riccardo Muti Era Draws to a Close

The conductor will end his 13-year tenure as music director of the Chicago Symphony Orchestra in June, leaving behind a rich artistic legacy

By David Mermelstein

Chicago

The conclusion of Riccardo Muti's tenure as the Chicago Symphony Orchestra's 10th music director at the end of this season inevitably elicits varied feelings in a place where civic pride still matters. Many regard his 13 years here as among this much-lauded ensemble's finest eras. Others prefer to see his departure as an opportunity for someone other than a European man (he is resolutely Italian) to occupy one of the world's most prestigious podiums.

Even at this point, Mr. Muti is not a Windy City institution—though he is certainly beloved. Like Daniel Barenboim, who preceded him from 1991 to 2006, Mr. Muti was already hugely famous when he accepted the orchestra's offer to take what was then an embarrassingly vacant post. And unlike Mr. Barenboim's predecessor, the legendary Georg Solti, who served from 1969 to 1991, Mr. Muti is not even principally associated with this city. His ties to Milan, Rome, London, Vienna and even Philadelphia are no less central than Chicago to his biography.

Yet Mr. Muti, though extraordinarily vigorous, will be 82 years old in July, and—as he insisted when we chatted last week—this post will be his last as a music director. He has, to be sure, remade this mighty 132-year-old ensemble. Honed in the middle of the 20th century by Fritz Reiner, a dour Hungarian whom Mr. Muti reveres, and then by Solti, also Hungarian, into America's most muscular symphony orchestra, it was coarsened by Mr. Barenboim as he furthered the group's raw power. By contrast, Mr. Muti has immeasurably refined the CSO's character, making it an institution replete with virtues and, at least to these ears, without musical failings. In addition, Mr. Muti's ability to impart new energy to even the most familiar scores helps make his programs so compelling.

True, the conductor did inherit a roster of musicians for whom most orchestras would mortgage their halls (two still date from Reiner's day), but he has supplemented that base with 27 of his own hires. So though there happily remains a historic "Chicago sound," this ensemble now also claims a "Muti sound," one that marries pure yet characterful tones potently expressed with a humanizing, even sexy, charm.

The orchestra's unique gifts were on full display this past weekend on a bill, repeated Tuesday, that included Wagner's familiar overture to "Tannhäuser" and Rachmaninoff's hyper-romantic Symphony No. 2—the latter a work I heard performed memorably and meticulously by the Boston Symphony Orchestra just three weeks ago. Yet even against such stiff competition, Mr. Muti's account was irresistibly luscious and extraordinarily well-balanced.

Similar examples of such furiously brilliant and incisive music-making have been almost commonplace, whether at home or on tour. I still vividly recall a concert featuring Tchaikovsky's Symphony No. 5 in 2015, at which, before the downbeat, a colleague and I whispered our reservations about hearing this warhorse yet again, only for us both to be stunned by the nuances and supple musical force Mr. Muti drew from the players.

Some will chide the conductor for not programming more new music, but such complaints overlook the bevy of young(ish) composers he selected for residencies at the orchestra. Naturally, the commissions aren't all bound for the canon, but the choices are impressive, starting with Mason Bates and Anna Clyne and continuing through Samuel Adams, Elizabeth Ogonek, Missy Mazzoli, and, currently, Jessie Montgomery, whose genial "Transfigure to Grace" just had its premiere, sharing the most recent program with Wagner and Rachmaninoff.

Mr. Muti's final concert as music director comes on June 27, when he leads the CSO in a free outdoor concert at Millennium Park—a sort of farewell gift to the city, with Tchaikovsky's Symphony No. 5 the main draw. Before that come a nearly all-Mozart program (May 18-23); a grab-bag of Mozart, Respighi and William Kraft (May 25-27); Lalo Schifrin's Tuba Concerto and Schubert's Symphony No. 9 (June 15-17); and, in a parting gesture to Orchestra Hall, Beethoven's Missa Solemnis (June 23-25).

Music lovers who can't make it to Chicago by then needn't shed tears quite yet. For in the absence of any announcement regarding his replacement, Mr. Muti has already agreed to conduct the orchestra in its initial concerts this fall, as well as lead the CSO in New York when it opens Carnegie Hall's season on Oct. 4 and 5. Beyond that, an 11-city tour of Europe is planned for January. So, for a while at least, the relationship won't actually be that different. We all know it's true: Breaking up is hard to do.

Mr. Mermelstein is the Journal's classical music critic.

TELEVISION REVIEW | JOHN ANDERSON

Patricia Arquette, Chaotic Californian

'High Desert" establishes itself right away as a feel-good series, because you feel so good that you aren't Peggy Newman. When we meet her, federal drug agents are raiding her Thanksgiving, traumatizing the family party as her husband (Matt Dillon) tries to jam the evidence down the drains à la Lorraine Bracco in "Goodfellas." A long 10 years later, Peggy is still kicking around Southern California, still trying to kick drugs, and working as an actress/re-enactor in an Old West theme park called Pioneer Town. Her mother, Rosalyn (Bernadette Peters), is dead. And she gets her way mostly because people want her to go away.

She may sound unbearable. She can certainly cause a cringe or two. But because she's played with such brazen, blowzy, oxygen-bogarting abandon by Patricia Arquette, Peggy is a real original—even if a lot of viewers are likely to know someone exactly like her: someone whose grip on reality is tenuous; whose unfounded belief in herself is nevertheless fathomless; who has no boundaries, nor a care in the world about the scene she's actually making. She's mawkishly sentimental, self-pitying, smarter than she looks and thinks any dream that pops into her head can become a reality. This includes a new career as a private investigator in the employ of bona-fide P.I. Bruce Harvey (Brad Garrett), who may not be Hercule Poirot but knows precisely what he is in for as soon as Peggy walks in the door.

Clockwise from above: Bernadette Peters; Matt Dillon and Patricia Arquette; and Keir O'Donnell and Christine Taylor

APPLE TV+ (3)

Ms. Arquette has often been a wonder and took home an Oscar for "Boyhood" (2014), but she has just as often seemed limited by the constraints of her characters, who are besieged by life and left victimized by it. Peggy hasn't triumphed over adversity. Far from it. But she simply ignores obstacles that would stymie normal people and behaves with such an adamant disregard for the obvious you might think she's impaired (which she often is, thanks to her on-again/off-again relationship with sobriety). A viewer would instinctively keep her at arm's length, until she does something dazzling: Invading a party thrown by the grifting Guru Bob (Rupert Friend), she listens to him try to sell a presumably stolen Picasso to another partygoer, then launches into an explanation of Cubism that leaves Bob in the critical dust and prompts the "customer" to simply leave. Under the haze of heroin, coke and various hallucinogens there is genuine intelligence, which is part of Peggy's hot-and-cold-running charisma. And her cockeyed gifts as a detective.

For all the blustering charm and unscrewed sanity of "High Desert," Peggy's instinctive self-promotion doesn't work on her siblings, Dianne (Christine Taylor) and Stewart (Keir O'Donnell), who are fed up with their sister's antics and want her to get out of Pioneer Town and/or to agree to sell their mother's house, so they can be rid of it and, maybe, her. Peggy is still in mourning for mom, can't bear to part with the house and continues her obsessiveness with the appearance of Ginger, who looks exactly like the late Rosalyn, because Ms. Peters plays them both. Fortunately for the viewer, Dianne agrees that Ginger looks just like mom, so we know it isn't a hallucination.

Created by Nancy Fichman, Katie Ford and Jennifer Hoppe, "High Desert" is directed by Jay Roach, probably best known for the "Austin Powers" and "Fockers" franchises, the latter of which starred Ben Stiller, who is an executive producer here. (Mr. Stiller and Ms. Arquette were also involved with "Severance," in which the actress was so delightfully malignant.) Also, Mr. Stiller is married to Ms. Taylor, so everybody knows everybody. And we all get to know Peggy, whom no one would invite home for Thanksgiving.

High Desert
Begins Wednesday, Apple TV+

Mr. Anderson is the Journal's TV critic.

The Data That Explain Golf Divide

The analytics site Data Golf helps show the growing schism between the PGA Tour and LIV Golf

By Andrew Beaton And Louise Radnofsky

Above, Jon Rahm and Brooks Koepka. Below, Talor Gooch is ranked No. 36 by Data Golf. OWGR has him at No. 63.

FROM TOP: ERIK S LESSER/EPA/SHUTTERSTOCK; ROSLAN RAHMAN/AGENCE FRANCE-PRESSE/GETTY IMAGES

Will and Matt Courchene are brothers who grew up outside Ottawa playing hockey during the long winters but during the short Canadian summers fell in love with another sport that would eventually become their living.

The Courchenes are proud golf nerds. Their website is a must-read for anyone who enjoys geeking out about the game. And the appropriately named datagolf.com happens to be surprisingly essential amid a schism inside the sport between the PGA Tour and its upstart rival.

Since the Saudi-backed LIV Golf league launched last year, it hasn't been approved by the Official World Golf Ranking, the self-explanatory body that ranks players and is an important tool for gaining entry into tournaments like this week's PGA Championship. Because LIV isn't accredited by OWGR, players who defected from the PGA Tour are tumbling in the rankings. Now, the hyper-important compendium for seeing how the best golfers on the planet stack up against one another suddenly has a gigantic asterisk.

Data Golf doesn't have that problem because it includes LIV players—and because Will and Matt Courchene have no part in the golf bureaucracy, or any interest in taking sides in the sport's civil war. Their site, with granular metrics about players and tournaments, is all about the data. Its analytics are so trusted across the industry that it moves markets: When they post their probabilities for an upcoming tournament every Monday, the odds swing at sportsbooks.

The website began as a hobby in 2015 when the brothers, who both studied economics at Queen's University in Ontario, were able to use an academic email address to get shot-by-shot data from the PGA Tour. That's when they began tinkering with a model to forecast tournaments that was never intended to replicate OWGR because they didn't simply want to rank how players had performed in the past. They wanted to evaluate how they would do in the future.

"We wanted to be more predictive," says Will Courchene, 29. "When we were starting out, we never thought of ourselves as a new way to rank golfers. We were just trying to make the model as good as it could be."

"We were just trying to predict tournaments," adds his 32-year-old brother Matt. "But now with the last year and a half, rankings have become a big deal in the golf community."

The difference between the systems is subtle, but also central to arguments about every sport that happen nightly inside pubs.

The OWGR awards points to players based on the strength of the field in a tournament and where they finish, and there's a big premium on both majors and winning. Of course there is. In real life, winning—and especially winning the biggest events—matter.

But in a statistical sense, for judging a player's true abilities, winning doesn't necessarily matter. Instead of rating players on *what* place they finish in, Data Golf calculates *how* they played relative to the strength of the field.

In other words, it takes into account an athlete's performance, not just the competitive outcome.

A recent tournament, the RBC Heritage on the PGA Tour, illustrates the difference.

Over the course of 72 holes, Matt Fitzpatrick and Jordan Spieth both took 267 shots for equal scores of 17-under par. Fitzpatrick prevailed in the playoff, and as a result received far and away the most OWGR points. The spoils of winning are so great that Fitzpatrick won more than twice as many points as the third-place finisher, Patrick Cantlay, even though Cantlay finished just one stroke behind them.

Data Golf, though, rates Spieth and Fitzpatrick's performances the same because they performed identically until the tiebreaker. And even Cantlay gets a similar grade because, well, his performance was so similar.

Data Golf's rankings have another layer of intrigue now. The golf world has long had to wrestle with the idea of how to compare players on separate tours. There was a time not long ago when many of the top players competed almost exclusively in Europe, even though that has eroded, particularly over the past decade, as the PGA Tour became the clear alpha.

Then LIV launched last year—and an old problem was new again.

LIV remains unaccredited by OWGR, and people familiar with the ranking body say that it's typical for the approval process to take a long time and that the circuit, which features tournaments of just 48 players playing 54-hole tournaments, may fall short on some of OWGR's technical standards. LIV has said that the longer its golfers, some of whom are among the best in the world, fall in the rankings, they become increasingly inaccurate. For both sides, OWGR's list isn't simply a beauty contest—it's a primary pathway to qualify for major championships.

Factors like field size, though, aren't important to Data Golf. While it's integral to OWGR because winning a PGA Tour event with 100-plus players is more challenging than one with a fraction of that number, Data Golf's assessment of performance doesn't include leaderboard position—only how someone performed relative to the others competing.

There have always been differences between Data Golf's rankings and OWGR's, but now some of those gaps are enormous because of LIV. For instance, Talor Gooch, who has played quite well at recent LIV events, is ranked No. 36 by Data Golf. OWGR has him at 63rd. Dustin Johnson is 19th by Data Golf's ratings versus 82nd in OWGR.

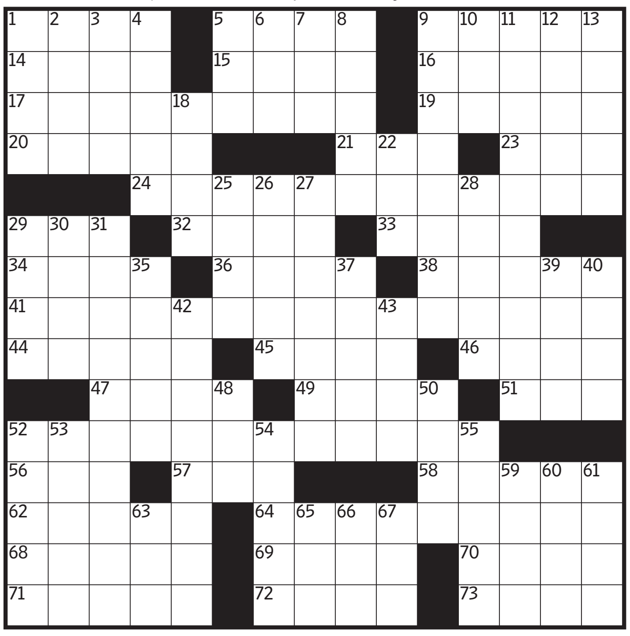
OWGR's methodology has also modernized recently—thanks in part to the minds behind Data Golf, who were consulted a few years ago by the body on changes that were implemented last August. OWGR now uses strokes gained, an advanced metric pioneered by Mark Broadie that underpins Data Golf's rankings, to determine field strength.

Those overhauls also happened to give PGA Tour events more points, which given its timing during LIV's first season raised an eyebrow or two.

The irony, Matt says, is that this has been controversial because they actually became more accurate: OWGR's formula now properly rewards the PGA Tour for having the strongest fields.

"It's kind of funny that it was trusted under the old methodology, which wasn't very good, and then they changed it to make it a lot better, and now nobody trusts it anymore because of the LIV thing," he says.

The WSJ Daily Crossword | Edited by Mike Shenk



TEE OFF | By Mike Shenk

Across

1 Hunky-dory
5 "Time's Arrow" author Martin
9 Sprinkles after showering
14 Fiendish
15 Black powder
16 Waipahu welcome
17 Time between Big Ben's chimes?
19 Fit to be tied
20 Cautious way to think
21 All-night bread provider
23 Architect's extension
24 Meadows, in her cheap, showy Alice Kramden wardrobe?
29 Tuber that might be candied
32 Country north of 12-Down
33 "___ et Ballades" (Victor Hugo collection)
34 Holiday lead-ins
36 Christina Aguilera's "___ No Other Man"
38 "Goodness!"
41 Site of those "Wizard of Oz" trees that pelt the Scarecrow with apples?
44 From Cuzco, perhaps
45 Preteen explorer
46 Put ___ appearance
47 Resistant to
49 One might be well-made
51 H look-alike
52 Item to keep a crude carrier from drifting?
56 Boring existence
57 Jiffy
58 Tribute with zingers
62 Knucklehead
64 Section of a flooring store?
68 "I don't feel very much like Pooh today" writer
69 Tied
70 Ford Field player
71 Mount
72 Changed the locks, say
73 Carpenter's collection

Down

1 Rocker Joan
2 Boldly declare
3 Creature on a New Zealand dollar
4 Choose
5 Pale hardwood
6 Cattle call
7 Borrower's slip
8 Leave the path
9 Like yeshiva studies
10 "Moonlight" Oscar winner
11 Sexual drive?
12 Country south of 32-Across
13 "I regret to tell you..."
18 Bring in
22 Chinese way
25 Deterioration from use
26 Like currants
27 Synopsis
28 Site of Shah Jahan's Red Fort
29 Tibetan recluse
30 Stratford river
31 Trade-based
35 Performed abysmally
37 Like Cheerios
39 Annoying kid
40 Irish novelist O'Brien
42 Experimental, say
43 Ill-advised
48 Fury
50 Dance in a ring
52 Prunes
53 Book review, in a way
54 Didn't stand by
55 Muddies up
59 Where monsoons occur
60 Leisurely
61 Bills in tills
63 Bill in a till
65 Penn, e.g.
66 Director Ang
67 Close

Previous Puzzle's Solution

T	A	B	S		L	O	C	A	L		S	P	O	T
U	C	L	A		A	D	O	B	O		H	A	V	E
F	R	A	Y		M	Y	M	A	N		A	P	E	S
T	E	C	H	I	E	S		L	E	A	D	E	R	S
		K	I	N	D	S		O	W	N	E	R		
E	L	S		D	U	E		N	O	V		T	A	P
A	A	H		I	C	Y		E	L	I		I	N	A
T	R	E	B	E	K				F	L	A	G	O	N
E	V	E	R	S		A	R	T		S	L	E	D	S
N	A	P	A		O	S	A	K	A		G	R	E	Y
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S	H	O	P	P	E				C	O	R	E	R	S
P	O	L	I	T	I	C	A	L	A	N	I	M	A	L
U	N	I	T		D	A	R	E	D		A	M	M	O
D	E	N	T		A	D	F	E	E		N	A	S	T

▶ Solve this puzzle online and discuss it at WSJ.com/Puzzles.

The San Antonio Spurs Win Victor Wembanyama Lottery

By Robert O'Connell

In 1997, the San Antonio Spurs won the NBA draft lottery and, with it, the right to draft a surefire cornerstone: Tim Duncan, the frontcourt savant who would lead the franchise to five championships over his 19-year career.

On Tuesday night, history repeated, as the bounce of ping-pong balls in this year's lottery converted the Spurs' 14% odds into a winner. Who they pick this time around is, again, a matter of no suspense at all. On June 22, the Spurs will select one of the most heavily hyped and distinctive prospects in league history, the 7-foot-3 French teenager Victor Wembanyama.

Wembanyama has Duncan-esque aims. "I'm trying to win a ring ASAP," he told ESPN, "so be ready."

On the floor, this season's Spurs struggled, fielding a young roster that tied for the second-worst record in the league. Their brain trust, though, may be the most respected in basketball.

Though head coach Gregg Popovich has joked that the key to his success was drafting Duncan, he is widely credited with helping international players—and styles of play—flourish in America, as his title teams relied on overseas stars like Tony Parker (a point guard who, by the way, is from France) and Manu Ginobili (a swerving shooting guard from Argentina).

Popovich is also a stylistic chameleon, having won titles in the rough-and-tumble 2000s by throwing the ball to Duncan in the interior and tacked on a last championship in 2014 with a spread-out and collaborative attack that used Duncan more as fulcrum than endpoint.

Such flexibility should serve the 74-year-old coach and his soon-to-be charge well. According to league consensus and his own ever-more-absurd highlight reel, Wembanyama is the surest thing to enter the NBA since LeBron James's arrival in 2003.

But where Duncan refined an ancient basketball archetype with his stone-smooth pivot moves and James played like Magic Johnson transplanted into the body of an NFL tight end, Wembanyama seems poised not just to revitalize a team but to reimagine the sport on a fundamental level.

Wembanyama reportedly stands 7-feet-3-inches tall, and by some accounts is as tall as 7-foot-5: dimensions that let him slam home nearly any pass in the vicinity of the hoop and swat away his opponents' attempts at the other end. He can move like a player a foot shorter. At 19 years old, Wembanyama—who has most recently played for the Boulogne-Levallois Metropolitans 92—has a low and uncannily natural dribble, a catalog of midrange pivots and step-throughs, and a 3-point stroke he has enough confidence in to utilize, on occasion, while jumping off of one foot.

Wembanyama leads the French league in scoring, rebounding and block shots, and his best highlights provoke not just awe but misunderstanding, as if the clip has warped and distorted or jumped ahead a few frames. Last month, Wembanyama missed a triple but caught up to his own shot in three long strides, and flushed the rebound through the rim.

The sense that Wembanyama will soon normalize the impossible is not just the heady fantasy of sportswriters and front-office prognosticators. "That type of talent and skill just puts a smile on your face if you play basketball," Kevin Durant said of Wembanyama in October.

The San Antonio Spurs won the NBA draft lottery on Tuesday night.

NAM Y. HUH/ASSOCIATED PRESS

"The evolution of the game has taken us this far."

Where other superstars might have guarded their territory—the 6-foot-10, sweet-shooting Durant has himself helped widen the scope of the sport over his career—Durant tipped an anticipatory cap to the incoming youngster. "The league's really in trouble when he comes in," Durant said.

Last week, Vincent Collet, Wembanyama's coach with the Metropolitans, indicated what one transcendent player can do for a club. Despite having only two non-French players—a higher number is generally an indicator of a deeper talent pool—Collet's team was second in the league.

"We only have two foreign players," Collet said, "but Victor is an extraterrestrial."

OPINION

Durham and a Presidency in Crisis

BUSINESS WORLD
By Holman W. Jenkins, Jr.

If there wasn't a "Clinton plan"—the phrase used 65 times in Monday's published report by Justice Department special counsel John Durham—to tar then-rival Donald Trump as a Russian agent, there may have been a plan about what to say if anybody asked if there was a Clinton plan. "Ridiculous" was the word used by campaign chairman John Podesta when interviewed by the special counsel. "Ridiculous," said foreign-policy adviser Jake Sullivan. Mrs. Clinton at least mixed it up, calling the notion of a deliberate smear campaign "very sad" and a "rabbit hole."

For a plan that didn't exist, it was remarkably effective. The Steele dossier was a tissue of lies made up by a Clinton-paid investigator who "simply fabricated" sources and information. The Alfa Bank allegation, the Yotaphone allegation—don't ask—were inventions promoted by a Democratic lawyer who claimed his clients were an amalgam of "Gilligan's Island" actors residing at EPA headquarters.

As with previous work by Justice Department Inspector General Michael Horowitz, pivotal information is sadly reserved for a classified appendix, in this case Russian intelligence intercepted by the Obama administration indicating the Kremlin knew of the "Clinton plan." Who knows if this "Russian intelligence" was any more solidly based than the Clinton "intelligence" that sent the FBI off in search of Trump collusion. The Russians could have intuited a "Clinton plan's" existence simply by reading the press. In any case, much to the later aggravation of key FBI investigators, the Durham report reveals that they were never told of the Russian intelligence pointing to a Clinton role in creating the collusion evidence they were asked to assess.

Mr. Durham's findings will be old hat and ignored by a media that ignored such information even when it was new hat. Even to the most receptive audience, the news will be eclipsed by what has happened since. The Clinton campaign engaged in good, old-fashioned political smears, albeit helped by fellow travelers in the FBI. This new low in American politics has since been succeeded by the layer cake of falsehood cooked up by 51 former top intelligence officials, including three former leaders of the CIA, to flaunt a new fake Russia conspiracy to get Joe Biden elected.

Because of Mr. Durham's timing, you're reading an expurgated version of a column that would have noted that, in any universe where news reporting hadn't been corrupted by the need to appear anti-Trump, Mr. Biden's would be a presidency in crisis.

Even so, the news blackout can't conceal the suspicious details unearthed by congressional investigators about Biden family bank accounts, shell companies and transfers from shady foreign actors. It can't conceal that Mr. Biden may owe his presidency to a de facto U.S. intelligence agency operation to bamboozle voters about his son's laptop.

The press covers its eyes about Joe Biden and helps re-elect Donald Trump.

A Dixie-whistling press can't suppress a whopping factoid: Though Mr. Biden's likeliest opponent has been found liable for sexual assault, is under indictment for payoffs to a porn star, and soon may face various federal charges, Mr. Trump is *still* beating Mr. Biden in some national polls.

Last week's CNN town hall, despite much huffing and puffing, rightly frightens Democrats. It shows Mr. Trump ambulatory and energetic, qualities that no amount of pharmaceutical intervention can supply Mr. Biden.

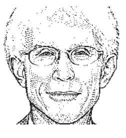
For several days the New York Times featured prominently on its home page the headline "As Biden Runs Again, Black Voters' Frustration Bubbles." Mr. Biden thereupon ran off to frighten the graduating class of Howard University, who likely have their pick of job offers from name-brand employers, with imaginary white supremacists hiding under every bridge.

Outrage and mockery alternate when Russia characterizes its enemies in Ukraine as Nazis. But of course if the Putin regime characterized its Ukrainian opponents as they actually are, the Russian people might start questioning their own government. Mr. Biden engages in the same dodge with his constant invocations of white racism. Don't kid yourself. This is political desperation at work.

The press should also understand what it saw on CNN last week—an audience clapping and yipping not because they think Mr. Trump is a fount of accuracy, but because they see a cynical operator beating America's media and political elites at their own game of nonstop cynicism. My guess: There's now a 50% chance that a Biden candidacy would simply end up effectively abdicating the 2024 contest to Mr. Trump.

Mr. Biden might yet drop out of the race. Mr. Trump's path to the nomination might still be interrupted by a DeSantis or Tim Scott. But the press should stop kidding itself about its own role. In the classic definition of insanity, its effort to keep Mr. Trump out of the White House by sacrificing its own standards of journalistic integrity and truth telling when it comes to Mr. Biden, Mrs. Clinton, the Russia hoax, etc., is what will put Mr. Trump back in the White House.

GOP Must Find America's Moral Center



POLITICS & IDEAS
By William A. Galston

For decades after the upheaval of the 1960s, Democrats found themselves mostly playing defense on cultural issues. In recent years that's changed. As Republicans have shifted to the right on some of these issues, the country's moral center—characterized by moderation, decency and respect for others—has asserted itself against the GOP's excesses.

That doesn't mean Democrats have been given a pass for their own transgressions. When they have gone too far in areas such as crime ("defund the police"), immigration ("abolish ICE"), and restraints on speech (cancel culture), voters have rebuked them, and candidates have been forced to choose between ideological purity and political viability.

U.S. voters are looking for candidates willing to defend what most see as moral common sense and recognize that complex cultural issues can't be reduced to a binary choice.

In the mid-1990s, 70% of Americans opposed legal recognition for same-sex marriage. A quarter-century later, 70% favor it, including most Republicans. Conservatives did themselves no favors by continuing to oppose it long after it became clear that the people had decided and weren't likely to turn back. Legislating new legal restrictions is out of the question. If the Supreme Court reversed its 2015 decision giving constitutional protection to same-sex marriage, public regard for the court, which fell sharply after it overturned *Roe v. Wade*, would collapse.

After *Dobbs v. Jackson Women's Health Organization*, some Republican leaders advocated a national abortion ban while others pushed for tough state laws. The backlash was swift and powerful, and deep divisions have emerged within conservative ranks. In the past week, former South Carolina Gov. Nikki Haley, a candidate for the 2024 Republican presidential nomination, went on national television to warn her party that a national ban is a political fantasy. At the same time, Donald Trump, suggested that the ban on abortions after six weeks that Florida Gov. Ron DeSantis had signed into law is "too harsh."

Republicans are finding out the hard way that *Roe*'s trimester formula blended permission and restraint in a manner that more than 60% of Americans could accept, whatever their misgivings. If the party were smart, its candidates for national office would train their fire on late-term abortions, which are far less popular than those earlier in pregnancy; support the rights of states to make their own abortion policies; and refrain from advocating additional restraints on the availability of the abortion pill mifepristone.

Guns offer another example of emerging possibilities for moderate approaches. Although the people have long supported what they regard as reasonable restraints on gun ownership and use, the minority of Americans who fervently oppose such restraints have dominated the politics of the issue. But there are signs that the spate of mass shootings in schools, churches and public spaces is shifting the balance.

The candidate with more-moderate views will find himself at the front of the pack.

In Tennessee, which Mr. Trump carried by 23 points in 2020, Republican Gov. Bill Lee signed an executive order tightening background checks and began pushing for a law permitting judges to confiscate weapons from people deemed to be threats to themselves or others. In Texas, some staunch pro-gun legislators astounded observers by backing a measure to raise the age at which young adults could buy assault-style weapons. After the vote, one of them said that "shootings right now are just happening too often." The American people agree, and they want their elected officials to do something about it. If President Biden were to propose a ban on assault-style weapons for persons under 21, he would find a receptive audience among swing voters.

Even on emerging cultural issues such as the treatment of transgender people, most Americans see the need for nuance. In a recent survey, 57% agreed that "whether someone is a man or a woman is determined by the sex they were assigned at birth," and more than 60% say that trans women and girls shouldn't be allowed to compete in sports with other women and girls. Yet supermajorities support laws protecting trans people from discrimination in housing, employment, education, healthcare and the military.

Another emerging issue illustrating this pattern is the debate about public education that has figured prominently in Virginia and Florida and has prompted a surge of grass-roots activism in much of the country. Americans reject the proposition that parents should have no say in the content used to educate their children, and they oppose exposing grade-school children to discussions of abortion, homosexuality and transgender issues. They are, however, open to such discussions for high-school students and oppose removing books on these topics from school libraries. Huge majorities support courses in U.S. history that talk honestly about our worst mistakes as well as our greatest achievements.

The candidate who best expresses Americans' yearning for cultural moderation and common sense will have a huge advantage in next year's presidential contest.

A Hero's Survivors Deserve to Be American

By Avi Weiss

With the end of Title 42, the emergency order giving authorities the power to expel migrants at the border, the debate on illegal aliens in the U.S. will reach a new pitch. Lost in this cacophony are special cases of people whose remarkable character and circumstances should qualify them to be warmly welcomed as permanent residents.

I know two such people personally, Amy and Martha Rodriguez. They are the daughter and widow of Douglas Miguel Rodriguez, who saved others at the cost of his life during an anti-Semitic attack on Dec. 10, 2019. Congress has the power to pass a private bill granting permanent residency in exceptional cases. President Biden has already signed such a bill for Arpita Kurdekar and her family, after she suffered an accident while in the country on a student visa. Miguel's family is equally deserving.

The incident in question unfolded at the JC Kosher Supermarket in Jersey City, N.J., where Miguel worked. The assailants had wanted to attack a nearby Jewish elementary school attended by 50 children that day. Unable to gain entrance, they instead opened fire in the grocery store, rightly assuming its clientele was mostly Jewish.

Miguel gave his life to save targets of an anti-Semitic attack.

In seconds, the gunmen murdered two people—customer Moshe Deutsch and one of the owners, Leah Mindel Ferencz. Miguel jumped into action. He knew the store's layout well and ran to a rear entrance, holding the door so that another shopper, Chaim Deutsch, could escape. In the process of saving Mr. Deutsch's life, Miguel was gunned down.

Police did all they could to help. In a gun battle with the villains not far away, Detective Joseph Seals lost his life, too.

Miguel's death was an immense tragedy. He and his wife Martha were high-school sweethearts and had known each other for 35 years. Amy was only 11 at the time.

Martha and Amy were also left in a state of immigration limbo, and the two remain uncertain of their future.

The least we can do is ensure that they can securely reside in our country and soon become citizens. Miguel's heroism embodies the best of America. Though the gunmen's targets were culturally different from him, Miguel viscerally recognized the need to jump into the breach. He treated those around him as members of his community and worth protecting no matter the consequences. In that act, he lived and breathed his last breath in the spirit of the Talmudic dictum that "he or she who saves one life saves the world."

His caring, self-sacrificial example lives on in his daughter, who I know firsthand to be a sensitive, caring young woman. Two weeks after her father's murder, in the midst of her mourning, she called me. Having heard of another anti-Semitic attack, in Monsey, N.Y., she asked if my community was safe. Thinking of others when in grief is the mark of greatness, and in Amy's case of a person who will make a real difference in the world.

Expediting her and Martha's immigration would be the moral and American thing to do. Congress can—and should—make it happen.

Rabbi Weiss is the founding rabbi of the Hebrew Institute of Riverdale—the Bayit and founder and a co-founder, respectively, of Yeshivat Chovevei Torah and Yeshivat Maharat rabbinical schools.

BOOKSHELF | By Richard Lea

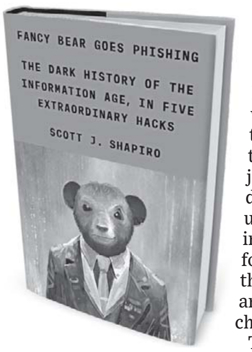
Poltergeists In the Machine

Fancy Bear Goes Phishing

By Scott J. Shapiro
(Farrar, Straus & Giroux, 420 pages, $30)

'You may not be interested in hacking," says Scott J. Shapiro, adapting a quote often attributed to Leon Trotsky, "but hacking is interested in you." Estimates of the losses attributable to cybercrime vary between $600 billion and $6 trillion a year, he continues, citing the former IBM chief executive Ginni Rometty, who has said that if data is "the world's new natural resource" then cybercrime "is the greatest threat to every profession, every industry, every company in the world." But Mr. Shapiro isn't panicking: "Much of what is said about hacking is either wrong, misleading, or exaggerated."

In "Fancy Bear Goes Phishing," Mr. Shapiro, a professor of law and philosophy at Yale, makes the case that, despite its technological trappings, "hacking is about humans." He begins in 1988 with Robert Morris, whose botched computing experiment wound up crashing the nascent internet and brought him the first federal conviction for hacking.



Morris was studying for a Ph.D. at Cornell when he realized that flaws in the operating system UNIX would allow him to write a program that would spread from computer to computer—an innovation that would be the perfect subject for his thesis. Mr. Shapiro describes how Morris's "worm" used trusted hosts, a backdoor in an email program, brute-force password guessing and the ambiguity between data and code to move from machine to machine.

The weaknesses exploited by Morris were no accident, Mr. Shapiro argues, but a result of the culture in which UNIX was developed. It was created so that scientists working on large machines could share resources, and used by a community that "operated largely on trust and prized availability of information over confidentiality and integrity." Morris intended no harm, but his worm filled machines with multiple copies of the program, all of which took up computing resources with their search for new machines to infect. Within hours, networks across the country were crashing under the load of these worms, as they spread from MIT to Stanford, from the RAND Corp. to the nuclear research lab at Los Alamos, N.M. Convicted under a brand-new Computer Fraud and Abuse Act, Morris was fined $10,000, required to serve 400 hours of community service and placed on probation for three years.

Mr. Shapiro turns next to hacks designed to do damage. He follows the development of viruses from floppy disks to cloud computing, charting how a worm called ILOVEYOU infected one in 10 computers across the world in 2000, and how a teenager named Cameron LaCroix got hold of Paris Hilton's contacts, messages and topless photos in 2005. Mr. Shapiro doesn't stint on explaining the "downcode"—the technical details—through brief lessons in computing theory that explore the intricacies of each hack. But he's equally focused on the "upcode"—everything above the programmer's fingertips—from the inner workings of the brain to the social, legal and political forces that define the world in which each hack takes place. The ILOVEYOU worm may have used the powerful programming language embedded in Microsoft Word to send infected emails, delete pictures and hide music files. But it also depended on email users' eagerness to open an attachment with the enticing name "LOVE-LETTER-FOR-YOU" and on Microsoft's willingness to distribute software with vulnerabilities that were not only predictable but actually predicted in advance.

Hackers don't merely work through expert understanding of computer networks. The biggest vulnerabilities they target are human.

Microsoft failed to heed these warnings, Mr. Shapiro says, in part because the company found itself playing catch-up with the burgeoning internet and responded by "larding software with features before determining their safety." The corporate culture was "patch and pray," externalizing costs on to consumers "who had their files destroyed, credit card information stolen, or faced the Blue Screen of Death." The company could get away with it, he argues, because there was no way of using their products without waiving the right to sue: "Cybersecurity failures are never just technical failures. They are always the result of systemic failures through the upcode stack."

The systemic failures reach right to the top in Mr. Shapiro's gripping account of the attacks launched by Russia's GRU intelligence agency on the Democratic National Committee and Hillary Clinton's presidential campaign in 2016, when the Russian cyber-espionage group Fancy Bear "arguably helped elect Donald Trump president of the United States." Mr. Shapiro delves into the psychological ploys used to persuade Mrs. Clinton's staffers to reveal their passwords and the coding tricks the hackers employed to try to cover their traces. He also explores the cultural and organizational failures behind the DNC's lack of two-factor authentication, the sluggish response from both the DNC and the FBI, and the government's reluctance to declare that Russian intelligence was to blame.

Mr. Shapiro is scathing both about the hackers' various technical "mistakes," which allowed American investigators to pin the blame on Fancy Bear, and about Russian attempts to deny responsibility. By contrast he has real sympathy for the talented, awkward young men who make up the bulk of his case studies. He compares Paris Hilton's gilded upbringing with the struggles of Cameron LaCroix, and follows how LaCroix seems to have matured into a responsible member of society. The research Mr. Shapiro examines suggests that most hackers are passing through a rebellious phase and usually leave criminal activity behind.

"Fancy Bear Goes Phishing" offers level-headed suggestions to reduce cybercrime, decrease cyber-espionage and mitigate the risks of cyberwar, arguing that we need to move beyond an obsession with technical fixes and focus instead on the outdated and vulnerable upcode that shapes the shoddy downcode we live with now. Instead of delegating security and privacy to engineers, we should tackle the moral and political questions the internet revolution has posed. You may not be interested in hacking, Mr. Shapiro insists, but it forces us into decisions we cannot avoid: "We are autonomous agents. These are choices we must make for ourselves."

Mr. Lea is the editor of Fictionable.

OPINION

REVIEW & OUTLOOK

Why the Durham Report Matters

Two special counsels, several inspector general reports and six years later, the country finally has a more complete account of the FBI's Russia collusion probe of the 2016 Donald Trump campaign. Special counsel John Durham's final report makes clear that a partisan FBI became a funnel for disinformation from the Hillary Clinton campaign through a secret investigation the bureau never should have launched.

It is a damning account of the corruption of the FBI and its accomplices.

The 306-page Durham report released Monday afternoon is far more comprehensive than anything issued by original special counsel Robert Mueller. Mr. Durham had already unfurled some of the narrative with his prosecutions of Russian national Igor Danchenko and Democratic lawyer Michael Sussmann. He lost those cases, though the indictments laid out how the Clinton campaign used foreign nationals, an oppo-research outfit and political insiders to feed the FBI and the media lies about Trump collusion.

The Durham report gives a fuller picture of the FBI's complicity under former director James Comey and deputy Andrew McCabe. It scores an FBI that "failed to uphold their important mission of strict fidelity to the law." Here are some of the specific findings:

• *No basis for investigation*. The FBI lacked "any actual evidence of collusion" between the Trump campaign and Russia when it violated its standards and jumped over several steps to initiate a full investigation, including probes into four members of the Trump campaign.

The pretext for the probe—a random conversation between unpaid Trump adviser George Papadopoulos and an Australian diplomat—was so flimsy that FBI agents complained it was "thin" and British intelligence was incredulous. The FBI opened the probe without doing interviews, using any "standard analytical tools," or conducting intelligence reviews—which would have shown that not a single U.S. agency had evidence of collusion.

• *Bias*. The Durham report makes clear that partisan hostility played a role in the probe. The report cites a "clear predisposition" to investigate based on a "prejudice against Trump" and "pronounced hostile feelings" by key investigators, including former agent Peter Strzok, and former FBI attorneys Lisa Page and Kevin Clinesmith.

• *Double standards*. The report lays out several instances in which the FBI was concerned that agents of foreign governments were seeking influence by donating to the Clinton campaign or the Clinton Foundation. Yet in one case in 2014 the FBI dawdled over obtaining a warrant from the secret FISA court because—according to an agent—"[T]hey were pretty 'tippy-toeing' around HRC because there was a chance she would be the next President" and the FBI was concerned about interfering with a coming presidential campaign.

The FBI gave a Clinton representative a "defensive briefing" about the risks of foreign actors. Mr. Trump received no such briefing.

• *Willful ignorance*. The report lays out numerous examples of the FBI ignoring evidence that it was being used by the Clinton campaign to execute a political dirty trick. This included intelligence the government received in July 2016 alleging that Mrs. Clinton had approved "a proposal from one of her foreign policy advisors to vilify Donald Trump by stirring up a scandal claiming interference by the Russian security services."

Former CIA director John Brennan briefed this material to President Barack Obama, Vice President Joe Biden, Attorney General Loretta Lynch and Mr. Comey, yet the FBI ignored it. It did the same when it learned that collusion dossier author Christopher Steele was working for the Clinton campaign and that Mr. Steele and oppo-research team Fusion GPS were spreading disinformation to the press. And it ignored exculpatory statements made by Messrs. Page and Papadopoulos in secret FBI recordings.

• *Russian disinformation*. The report says that two members of Russia's intelligence service "were aware of Steele's election investigation in early July 2016"—when the former spook first contacted the FBI with his dossier—and that as a result his sources may have been "compromised." This means the FBI probe that disrupted American politics for three years may have begun as a Russian intelligence operation.

* * *

All of this is an indictment of officials who were supposed to supervise the FBI, whose director reports to the Attorney General. Where were Ms. Lynch and her deputy, Sally Yates? The report notes that Deputy Assistant AG Stuart Evans raised concerns with the investigation, but the Comey FBI snubbed him, and higher-ups at the Justice Department ducked their duty.

The press corps was also an all-too-willing accomplice to the collusion con, yet there has been little to no outrage or even self-reflection at having been played for dupes. Most coverage largely dismisses the Durham report because no one new was indicted. The press performance in the collusion story has done untold damage to its credibility, and it's a major reason that much of the country believes nothing it reads or hears about Donald Trump.

The FBI responded to the report by claiming it has already "implemented dozens of corrective actions" that, if in place in 2016, would have "prevented" this mess. Mr. Durham appears to have predicted this shabby evasion, and his report provides a powerful retort. Its conclusion notes that it isn't recommending "wholesale changes" in guidelines or policies, because the FBI ability to fulfill its responsibilities "comes down to the integrity of the people who take an oath . . . As such, the answer is not the creation of new rules but a renewed fidelity to the old," namely the FBI's guiding principles of "Fidelity, Bravery and Integrity."

The Russia collusion fabrication and deceptive sale to the public is a travesty that shouldn't be forgotten. That Washington's establishment refuses to acknowledge its role in this deceit is one reason so many Americans don't trust public institutions. It will take years for honest public servants to undo the damage, but the Durham accounting is a start.

Ukraine Needs More Patriot Batteries

Russia's Vladimir Putin launched another missile barrage on Ukraine early Tuesday, and thanks to Western air defenses Kyiv says it took down 18 projectiles, including six hypersonic missiles. If true, this is another testament that America produces the world's best military equipment.

But the Patriot battery President Biden offered in December after 10 months of dithering can't cover all of Ukraine's skies. President Volodymyr Zelensky has said he wants 20. The U.S. is reluctant to donate more, as Army air defense units work overtime in Europe and elsewhere. Also in short supply are the munitions.

The Pentagon calls Patriots a "low-density, high-demand asset," which is bureaucratese for we don't have enough. Yet Mr. Biden can still decide to dig deeper into allied stocks for Ukraine, while launching an all-out effort to build more faster.

There's no strategic case for letting Ukraine exhaust its air defenses while failing to give it the equipment needed to end the war. That means ponying up the long-range Army tactical missile system that Mr. Biden has refused to offer. The Patriot's prowess is a reminder that the U.S. has the ingenuity to meet the world's rapidly growing threats. What it needs is political will.

SVB's Greg Becker Tells His Story

Federal regulators blame bad management and lax regulation for Silicon Valley Bank's failure. On Tuesday former Silicon Valley Bank CEO Greg Becker gave the Senate his side of the story, filling in crucial details left out of the Federal Reserve's self-examination last month.

By Fed Vice Chair for Supervision Michael Barr's telling, SVB grew too big too fast. Executives prioritized growth over risk management while ignoring repeated warnings by examiners. Supervisors didn't come down hard enough and were handicapped by a 2018 law that eased regulation on midsize banks.

Mr. Becker explains what the Fed would prefer to ignore. Deposits ballooned during the pandemic owing to "near-zero interest rates and the largest government-sponsored economic stimulus in history," Mr. Becker told Senators. Liquidity and capital rules encouraged SVB to invest its flood of new deposits in long-dated government-backed securities that regulators deemed "safe."

"Throughout 2020 until late 2021, the messaging from the Federal Reserve was that interest rates would remain low and that the inflation that was starting to bubble up would only be 'transitory,'" Mr. Becker said. Then the Fed flipped on a dime and rapidly raised rates to subdue inflation in 2022, catching SVB and some other banks off guard.

Around the same time, SVB found itself subject to new regulations for "Large Financial Institutions," which consumed significant resources and attention. "I met regularly, and often monthly, with SVB's regulators, including examiners, to discuss strategy, organizational changes, personnel changes, our initiatives, and address any regulatory issues or concerns," Mr. Becker noted.

"From 2020 to 2022, our headcount and professional services expenses increased substantially, the bulk of which were dedicated to enhancing risk management and operational execution," he added. "By the end of 2022, my recollection is that SVB had roughly 1,000 people with all, or the majority, of their responsibilities focused on risk management of some type."

A lack of attention to regulation can hardly be faulted for SVB's failure. Mr. Becker's testimony suggests that bank examiners and SVB employees were focused more on complying with regulation than managing actual and potential balance-sheet risks. Examiners were concerned primarily with SVB's processes, not its classic financial vulnerability of interest-rate risk hiding in plain sight.

Bank executives aren't blameless, but they were also responding to the Fed's easy money and misplaced regulatory priorities. Mr. Becker has lost his job and no doubt a lot of money. Has even a single regulator at the San Francisco Fed lost hers?

LETTERS TO THE EDITOR

Washington Would Like to Renovate Your Home

Kudos to Ben Lieberman for his excellent op-ed "Biden Cracks Down on Gas Stoves—and Much More" (May 11). One of your reporters should probe the Energy Department to learn precisely how much warming, in degrees Celsius, it expects to avoid by banning new gas stoves and furnaces and reducing washing machines and dishwashers to ineffectiveness.

"An undetectably small amount" is the only answer justified by the known physics of global warming. If the Energy Department bureaucrats give you any number larger than that, demand to see their assumptions and check their arithmetic. Either they are deceiving themselves or trying to deceive the American people.

DALE R. MCINTYRE
Bartlesville, Okla.

Mr. Lieberman has some worthwhile gripes about washers that take forever to wash poorly, but he struck out in his complaints about gas-furnace regulations. Regulators are trying to encourage the market to adopt more condensing units.

Natural gas is mostly hydrogen, and when it burns, it creates a lot of water vapor (steam), which can be condensed into water. In the past, this latent heat was tossed out, but engineers have developed special heat exchangers that can survive the corrosive atmosphere created when flue gases condense, making practical advanced furnaces that are often 15% more efficient. The savings in fuel costs will more than pay for the cost of the installation in only a few years.

It is impossible to reduce carbon-dioxide emissions without making some sort of war against natural gas. Encouraging the use of these far more efficient units is a benign and affordable way to produce significant progress without making the unwilling install a heat pump.

JOHN BAXTER
Toano, Va.

Did the people who sent these latest edicts ever cook on an electric stove, read fine print under an LED lamp, wash dishes in a machine that took more energy to run due to reduced water or live in overheated homes without sufficient air conditioning? The Energy Department doesn't cook my meals, wash my clothes or dishes or live in a hermetically sealed apartment. The department has no right to tell me how to manage my home.

PATRICIA E. GITT
New York

The Angry Parent at the Youth Sports Game

I neatly solved the problem of nasty parents years ago when I refereed soccer for 15-year-olds in Massachusetts ("Why Did the Umpire Quit Little League? Nasty Parents," Sports, May 5). I told the coach of the team with an unruly parent that if the parent didn't stop, I would call the game in favor of the other team. It worked beautifully the two times I needed to do it.

TOM HOLZEL
Litchfield, Conn.

My son was a youth soccer coach. One season he had several unruly parents who shouted orders to their sons, often including curses, for bad plays. He called all the parents into a meeting on the field before the next game, and quietly informed them that he was the coach, and he would be the only one instructing the team. If any of the parents continued to yell orders and obscenities to a youth, he would bench the player. He and his team weren't harassed anymore that season, and they went on to finish at the top of their league.

SHEILA W. EVANS
Charlotte, N.C.

I have coached youth and high-school sports for 40 years, and I wish I had a dollar for every time I've heard someone blame the umpires or referees for their team's defeat. Yet not once have I ever heard a parent, coach or player boast that they won because of the umps or refs. Somehow the math doesn't add up.

PAUL MCCARTHY
Surfside Beach, S.C.

As a former Little League umpire, I would consider returning to the job only if I were assured that both teams came from an orphanage.

BOB SPEAR
Coronado, Calif.

Why Can't Democrats Compromise on Debt?

It isn't particularly surprising that William Galston would counsel Republicans to drop their leverage to force President Biden to negotiate ("GOP Should Yield on the Debt Ceiling," Politics & Ideas, May 10). It is frustrating, however, to see him pretend that there is any reason to believe that Mr. Biden and the Democrats would negotiate in good faith after they secure the debt-limit increase. Sen. Joe Manchin could tell Republicans what to expect from this president and congressional Democrats if they give Mr. Biden what he wants without getting any concessions in return.

Shouldn't Mr. Galston be advising compromise from both sides, rather than capitulation from one?

MICHAEL SMITH
Birmingham, Ala.

I read Mr. Galston's column twice. While the negative consequences of hitting the debt ceiling are laid out clearly, there is no logic provided as to why the GOP, rather than the Democrats, should "yield." The Republican bill proposes modest reforms that don't even return us to 2019 levels of federal spending. As Mr. Galston points out, the GOP proposal still allows the debt to grow faster than the economy. That's enough yielding.

ANDREW FIELD
Emigrant, Mont.

What Our Distorted Image Of Motherhood Leaves Out

Haley Naida is spot on: Moms need respect, not wine and a break from their children ("Motherhood Is Better Than Advertised," op-ed, May 12). Motherhood is one of the best things that ever happened to me. We have three sons who have been a continuing source of happiness.

I grew up with them. I entered marriage selfish and immature in my early 20s. Having children saved me from complete self-indulgence and narcissism. Kids expanded my awareness of the world through all their interests and endeavors. They continue, as grown men with their own families and careers, to do so today. It is truly a privilege to be a mom and experience the joy of children.

JOANNA SHAFER
Oakland, Calif.

The negative image of motherhood as damage and stress not only diminishes the immense respect mothers deserve; it can also deny many the chance of motherhood at all. Demeaning parenthood and deterring family-building may very well be worsening our fertility crisis.

CHRISTINA MONIODIS
Miami

I Was Not Ready to Vote

Regarding Vivek Ramaswamy's op-ed "The Case for an Older Voting Age" (May 15): When I was in college, I voted Lyndon Johnson for president because I lived in Texas and he was a Texan. Not the best reason for a vote. My older brother-in-law said I would probably vote differently when I got a job and paid taxes. He was right. Voters should be mature enough to understand what their votes mean in the real world. Auto-insurance companies charge more for drivers under 25 because they make more reckless decisions that cause wrecks.

DAN MOORE
Fort Worth, Texas

The Biden Family's Income

The IRS should use the congressional findings about "The Biden Family Business" (Review & Outlook, May 11) to investigate the family members' tax returns. Let's see if they reported any of this income and identified it as "income received from a foreign source."

JAMES MORITZ
Naples, Fla.

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Pepper ... And Salt

THE WALL STREET JOURNAL

"Would you like to use your eleven cents in rewards."

OPINION

The Left's War on the Rule of Law

By Ed Meese
And Kelly Shackelford

The left was able for decades to get through the courts, including the Supreme Court, what it couldn't get through Congress. Today, however, liberals are trying to subvert the legitimacy of the Supreme Court because it contains a majority of justices committed to the Constitution and the rule of law. Suddenly, instead of repeatedly approving the left's agenda, the federal judiciary has become one of its greatest impediments. Believing they can no longer win at the court, progressives now want to change the rules of the game. Rather than improving their legal arguments and strategy, they are attacking the referees.

There's no greater threat to our form of government than attacks on the judiciary's legitimacy.

The first contours of the plan emerged in March 2020. As the justices prepared to rule on a Louisiana abortion law, Sen. Chuck Schumer stood in front of the Supreme Court and declared that Justices Brett Kavanaugh and Neil Gorsuch had "released the whirlwind" and would "pay the price." He warned that they wouldn't "know what hit" them if they went forward with "these awful decisions." The pattern of attack that emerged since then makes it clear that Mr. Schumer meant what he said. The judiciary, and the justices themselves, are in the left's cross hairs—sometimes literally.

The first step of the left's plan to transform the courts was to end the filibuster. Breaking this longstanding Senate procedural norm would eventually give the majority party power to overhaul the membership, structure and jurisdiction of the Supreme Court. Next came a push for court-packing, both via legislation and President Biden's presidential commission on court reform. Although these efforts weren't successful, Democrats haven't given up. They still want to end the filibuster and pack the court and are merely waiting for the right political moment.

A slew of attacks on judicial norms constituted the next step in the left's plan to transform the courts. Liberal activists called for term limits for Supreme Court justices. They pressured Justice Stephen Breyer to retire during President Biden's term. They protested outside the justices' homes after the *Dobbs* decision leaked, and a potential assassin even targeted Justice Kavanaugh.

Meantime, Democrats filed sweeping legislation to add more than 200 new judges to the lower courts and require all Americans who wish to challenge the national implementation of federal laws to bring their cases to courts in the District of Columbia, where most judges

TASOS KATOPODIS/GETTY IMAGES

Protesters outside Justice Samuel Alito's house in Virginia.

are Democratic appointees. Most recently, they threatened to eliminate traditional single-judge judicial districts regardless of the needs of the people in those districts.

Perhaps most revealing, elected officials such as Rep. Alexandria Ocasio-Cortez—who swore an oath to support and defend the Constitution—have called on Americans simply to disregard federal court orders. This is an outright threat to the rule of law.

The left's latest offensive has been to undermine the Supreme Court's credibility by charging Republican-appointed justices with alleged disclosure failures while ignoring similar omissions by Democrat-appointed justices. The Senate Judiciary Committee summoned Chief Justice John Roberts, who wisely declined to appear. The committee then proposed the creation of a formal Supreme Court "ethics code"—a thinly veiled attempt to grant Congress power to police the justices.

Amid these attacks, liberal elites have kept up a steady stream of accusations of partisanship and bias against any judge who issues a decision out of step with progressive values. Baseless accusations of ethics violations usually follow. As the adage says, "a lie repeated often enough will eventually be believed."

These attacks on the judiciary share the goal of restructuring the courts and delegitimizing the rule of law. They might be working. Recent polling shows public approval of the Supreme Court at historic lows. More than 90% of judges now believe judicial independence is threatened, primarily by the attacks and the left's politicization of the judiciary. And more offensives against the courts are coming. A coalition of progressive groups will soon launch a nationwide campaign calling again for structural changes to the Supreme Court.

The left hasn't always had such disregard for the integrity of the courts. In 2001, the American Civil Liberties Union said that maintaining the credibility of the Supreme Court was "critical" to "preserving civil liberties." Failure to maintain judicial credibility, it said, would damage not only the high court but "the rule of law." The ACLU was right.

If politically motivated schemes to transform the courts are successful, the judiciary will become little more than a political tool of the executive and legislative branches. Judges will lose their ability to enforce the rule of law with impartiality, and the last safeguard to our civil liberties will be gone.

The left's grand scheme to delegitimize the courts is more than a threat to the judiciary. It is a threat to our constitutional republic. It must not succeed.

Mr. Meese is a distinguished fellow emeritus at the Heritage Foundation. He served as U.S. attorney general, 1985-88. Mr. Shackelford is president and chief legal counsel of First Liberty Institute.

No, Immigrants Aren't Stealing Jobs From Black Americans

UPWARD MOBILITY
By Jason L. Riley

President Trump liked to boast about record-low black unemployment, which sank to an impressive 5.3% in August 2019. Now it's President Biden's turn to brag.

"Black unemployment is at a record low of 4.7%," the White House tweeted on Friday. Among black women, the jobless rate is an even lower 4.2%, also a milestone. Moreover, Reuters reported that the gap between unemployment rates for blacks and whites has "narrowed to 1.8 percentage points, the lowest since the Labor Department began tracking it half a century ago."

The bigger difference between the Trump and Biden presidencies has been inflation. Under the previous administration, pay for black workers was rising at a faster rate than it was among white workers, and less-educated workers, such as those with just a high-school degree or only some college, saw wage gains that outpaced management's. Under Mr. Biden, higher wages for all groups have been gobbled up by higher prices. Still, the low unemployment and rising labor-force participation rates among blacks are worth remembering as the nation debates the consequences of more illegal immigration.

Under Mr. Trump, illegal entries declined in 2017, his first year in office. But they rose significantly in 2018 and 2019 before receding in 2020 because of Covid. Under Mr. Biden, unauthorized border crossings have returned with a vengeance, due mainly to a pronounced U.S. labor shortage. Citing Department of Homeland Security data, the New York Post reported Tuesday that "more than 1.5 million illegal immigrants have slipped into the U.S. since President Biden took office—more than three times the number recorded during the last three years of Trump's presidency."

It's often asserted that illegal immigration is especially harmful to black wages and job prospects, but we now have two consecutive presidencies that seem to undermine that claim. Illegal immigration is at a record high, and black unemployment is at a record low. Maybe immigrants don't steal jobs after all—not from black workers or from anyone else. And given that the country has experienced significant nominal wage gains among all groups, both before and after the pandemic, foreign nationals don't seem to be driving down earnings either.

There are good reasons to secure the border, but protecting workers from competition isn't one.

A similar dynamic has played out with respect to black poverty, which also declined to record or near-record lows under the Trump and Biden presidencies even while illegal immigration has increased. The same trend occurred in the 1990s, when the size of the illegal immigrant population more than doubled, and the black poverty rate simultaneously fell by more than a third. Perhaps a growing economy is a bigger factor in the economic well-being of black workers than the size of the migrant population. If we want to help lower-income groups do better, keep the focus on economic growth and job creation. Remove barriers to entering the labor market, such as living-wage laws and occupational licensing requirements. Make welfare less attractive.

Black job opportunities aren't conditioned on lower levels of immigration because foreign nationals tend to compete with one another for work, not with U.S. natives, as research by economists Giovanni Peri, Richard Vedder and others has demonstrated. There's some overlap, to be sure, but legal and illegal immigrants bring different abilities to this country and a willingness to do different jobs at different wages than most Americans.

By all means, secure the border, but not to protect black workers from competition with immigrants. Rather, the border should be properly policed so that we know who is in the country and why they came here. Liberals think that the only homeland security threat comes from white nationalists and the MAGA faithful, but the reality is that there are plenty of foreign countries and people who want to do us harm, and a porous border makes that much easier. We're also a sovereign nation of laws, which means that we get to decide who comes, who doesn't and on what terms.

Calling for better border security isn't tantamount to racism. It's common sense, and it's something that many black Americans in struggling communities support. During a recent news conference in the sanctuary city of Chicago, black residents complained about unvetted migrants being placed in their communities and scarce resources being used to feed, house and otherwise care for people who shouldn't be in the country. "We need to be taken care of first and foremost" is how one woman put it.

Though the left doesn't want to acknowledge it, more border security will be an integral part of any bipartisan immigration overhaul. If Democrats continue to show little interest in enforcing current immigration laws, Republicans understandably will continue to wonder why they should vote for any new ones.

Russia Sows Far-Reaching Chaos Using Crimea as a Base

By S.C.M. Paine

The West should support Ukraine's goal of retaking Crimea not only because the peninsula is sovereign Ukrainian territory but also because retaking it would deprive Russia of Sevastopol, the best naval base on the Black Sea.

Until Russia loses Sevastopol, the Middle East and the Horn of Africa will continue to churn as Moscow retains veto power over regional peace, which it has had since the 1967 Arab-Israeli War.

Andrei Gromyko, Soviet foreign minister from 1957 to 1985, once observed of the Middle East: "As long as the region remains tense, the Soviet Union is assured a role there." In peacetime, an outside country with a third-rate economy like Russia would have little influence in the Middle East. Yet so long as the region remains unstable, Russia can insert itself as a power broker and veto peace plans by arming the side less willing to settle. As Vladimir Putin has demonstrated, it is easy to fuel conflicts, and as the U.S. has discovered, it is difficult to end them. It is time to take the veto card from Mr. Putin's hand.

Without Sevastopol, Russia can't easily support military operations in the Middle East or Africa. Military interventions require soldiers as well as substantial heavy equipment and logistical support, which primarily come by sea. As long as Russia controls Sevastopol, it can support its Syrian bases in Tartus and Latakia via the Bosporus. With those bases secure, Russia can reach further along the Eastern Mediterranean coastline and into the Horn of Africa. The loss of Sevastopol would cut this ability at the root. Novorossiysk, the main Black Sea commercial port within Russia, is no substitute. Apart from its lack of naval facilities, it is located at the sea's eastern extremity and, unlike Sevastopol, is a coastal breakwater, not a defensible natural harbor.

Without Sevastopol, Russian naval ships would have to reach the Mediterranean with its other three fleets: its Baltic Fleet, based in distant Kaliningrad, Russia's enclave surrounded by North Atlantic Treaty Organization members; its even more distant Northern Fleet, based in Severomorsk, in the Arctic Circle; and its remote Pacific Fleet, based on the Kamchatka Peninsula, about as far away from Russia's industrial base as it could be. Moreover, Russia lacks bases between these locations and the Mediterranean. The transit distances are huge. The Suez Canal would be essential to shorten the Pacific Fleet's voyage, which explains Russia's persistent focus on the waterways that govern access to it—the Eastern Mediterranean and Red seas.

During the Cold War, when Ukraine was part of the Soviet Union, the U.S.S.R. projected military power from Sevastopol to a string of bases. With the exceptions of Syria, Ethiopia and Yemen, host countries, including Albania, Egypt and Somalia, found the U.S.S.R. to be a difficult guest and serially expelled its forces. The replacement bases in Syria for Egypt and Ethiopia for Somalia were inferior to the lost ports of Alexandria and Berbera. Nothing replaced the lost submarine base in Albania. By the end of the Cold War, Russia had only a single foreign naval base: Tartus, Syria.

Three years ago, Mr. Putin, via his Wagner Group proxies, put out feelers for a base in Sudan, which is now engulfed in civil war. Wagner's African business model entails providing paramilitary services to keep dictators in power in return for control over lucrative mines, the proceeds from which fund Mr. Putin. Playing factions against each other through these deals, as occurred in Sudan, is also part of Wagner's model to maximize Russian, not African, returns on investment. Wagner's Internet Research Agency has simultaneously spread lies on social media. The long-term effect on regional economic growth of these frozen conflicts is disastrous.

Africa and the Middle East would benefit if Ukraine retakes the key military port of Sevastopol.

The lack of Mediterranean bases once handicapped the Soviets. It meant they had little say in the outcomes of 1956 Suez Crisis, when the U.S. prevented Israel, France and Britain from overturning Egypt's nationalization of the Suez Canal, or the 1958 Lebanon Crisis, when U.S. Marines waded by curious bathers after they landed for a mission to keep the Christian president in power. The Soviets sought naval bases in Yugoslavia, Albania and Egypt but were rejected until 1967, when Israel took the Golan Heights from Syria, the West Bank from Jordan, and the Sinai Peninsula from Egypt.

Afterward Egypt provided Soviet bases to prevent Israel from launching such an offensive again. In the ensuing War of Attrition, when Egypt unsuccessfully tried to regain Sinai, Soviet pilots and surface-to-air missiles imposed sufficient costs on Israel to force a cease-fire. Soviet support enabled Syria and Egypt to attempt to reclaim their territories in the 1973 Yom Kippur War. They failed but inflicted damage on Israel.

Once Egypt removed the U.S.S.R. from the equation by abrogating their friendship treaty in 1976, it was able to unfreeze its conflict with Israel and sign the Camp David Accords of 1978, which restored Sinai to Egypt and established diplomatic relations between Cairo and Tel Aviv.

Today the Palestinian, Lebanese, Syrian, Libyan, Yemeni, Ethiopian, Somali and Sudanese conflicts remain frozen at great cost to those countries and the region. The Wagner Group operates in Syria, Libya and Sudan, as well as farther afield in the Central African Republic, Mali, Mozambique and Chad. Without adequate bases, Russia couldn't easily sustain these ventures. Sevastopol is the root of the problem. It's time to uproot it.

Ms. Paine is a professor of history and grand strategy at the U.S. Naval War College.

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Notable & Quotable: 'Decompression Strategy'

New York Mayor Eric Adams in a May 16 interview with WINS radio's Susan Richard:

Richard: You were on a call last week with several county executives, after which the Orange County Executive Steven Neuhaus went on Facebook and he said this. I just want to play it. Here we go.

Neuhaus: The mayor said that, when he was asked by a county executive, one of the county executives said, "You're the one that is in a sanctuary city. All these counties are not sanctuary counties, including Orange County. Why are you sending them here?" And he said, "First off, I didn't declare the city of New York a sanctuary city. My predecessor did." And he said, "I'm also talking about going to court to change that."

Richard: Is that true?

Adams: No. Let me be very clear on what I stated. We have been a sanctuary city for over 40 years, and when you think about what the law that was put in place or what the agreement was put in place, no one anticipated having 4,200 people come in one week to the city. What we were going to court to deal with was the various executive orders that some of the county execs put in place to prevent us from having our entire state share this responsibility and burden. . . . So we're not in court now for anything other than going after those executive orders that's trying to prevent us from doing a decompression strategy.

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Venture-Fund Returns Weaken

Lower startup values dent performance of industry that has been an investor favorite

By Berber Jin

Venture-capital-fund performance is languishing amid the broader downturn for tech startups, denting returns for university endowments, pensions and other investors that increased their exposure to the sector during the bull market.

For the first time in more than a decade, returns for venture funds were negative for three consecutive quarters last year, according to research firm PitchBook Data, as investors finally began to mark down startups that had ballooned in value. Initial data for the fourth quarter also show a negative quarterly return.

The data also show that the yearly internal rate of return hit minus 7% in the third quarter—the latest data available for that measure—the lowest value for those three months since 2009. The internal rate of return is used to measure the profitability of venture funds annually and is a key performance metric used by the industry.

The decline marked the fifth consecutive quarter of deteriorating yearly rates of return—the first time this has happened in a decade—and was also the only negative rate of return among seven investment categories tracked by PitchBook, including private equity and real estate.

Fund investors say they remain optimistic about the long-term potential of the venture industry, citing new areas of technological growth like artificial intelligence. Even with last year's decline, venture-capital funds outperformed other private investment strategies when measured over periods of three years or longer, the data show.

But the severity of the recent declines is already pushing some investors to re-evaluate their exposure to the sector.

These fund investors, known as limited partners, are bracing for further markdowns and say that the funds that invested the bulk of their cash during the peak of the bull market will likely post subpar returns.

"There is a segment of the venture market that has little traction and no real prospects for raising additional capital," said Jay Ripley, head of investments at **Global Endowment Management**, about some of the startups that venture funds backed a few years ago. "Those are presumably going to be written down to zero, or near zero."

Mr. Ripley, whose firm invests in venture funds on behalf of nonprofit foundations and other institutions, said that the cooled market is pushing large investors to cut their commitments to certain venture firms and be more selective about the new funds they back. Fundraising for new

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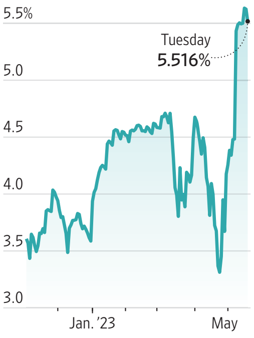
Yield on the one-month Treasury bill, past six months



Source: Tradeweb ICE Closes

Default Fears Pressure T-Bills

By Matt Grossman

Benjamin Samuels, a 31-year-old cybersecurity auditor from Los Angeles, started shifting his emergency cash into Treasurys last year, attracted by rising interest rates. He hadn't expected the U.S. government—thought to be the world's safest borrower—to find itself two weeks from default.

Mr. Samuels had set up his Treasury holdings to reinvest automatically as bills mature, but he logged on to the Treasury Department's website last week to reverse that setting. Now he is holding more cash, spooked by the approaching deadline for Congress and President Biden to raise the debt ceiling to avoid an unprecedented U.S. borrowing snafu.

"There is clearly going to be some political brinkmanship here, and I don't want to get caught with my pants down if I need the money," Mr. Samuels said.

Mr. Samuels is among legions of individual investors who have bought Treasurys since last year and now face the unusual risk of not getting some of their money back right away. Treasury Secretary Janet Yellen has said that the government could run out of room to sell new debt as soon as June 1. That could mean delays in cash payments to owners of maturing securities—

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Small Businesses Put Hiring Plans on Ice

By Ruth Simon

A growing number of small businesses have hit the brakes on hiring.

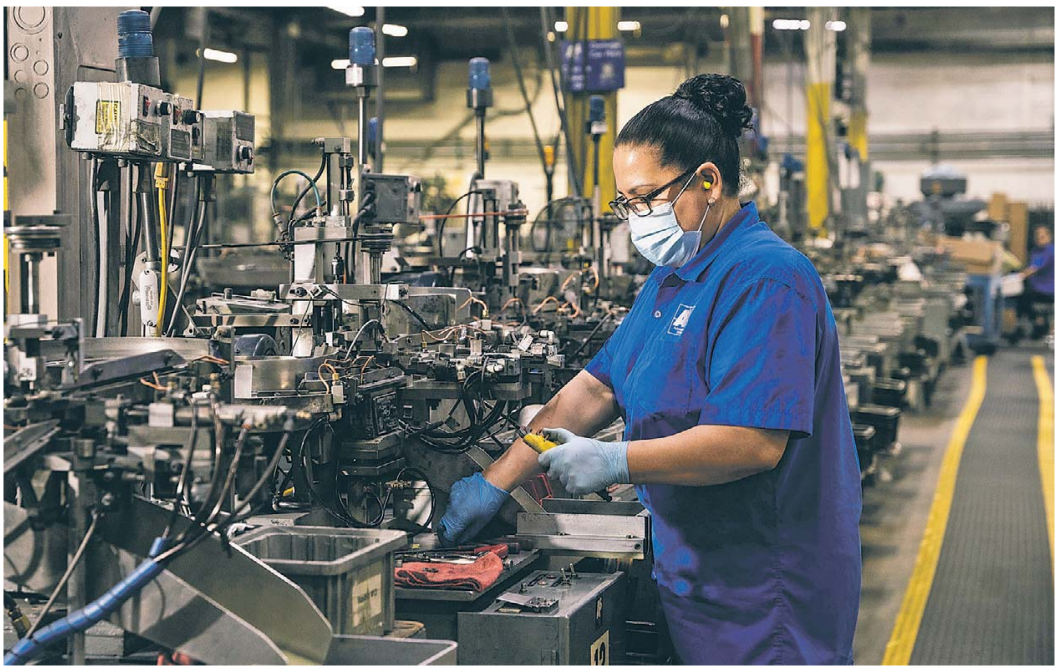
The portion of small-business owners who expect to expand their workforce over the next year was below 50% for the second month in a row in May, hitting the lowest level since June 2020, during the early months of the Covid-19 pandemic, according to a recent survey conducted for The Wall Street Journal.

Small businesses struggled to hire staff during the pandemic as competition for workers increased and large companies with deeper pockets scooped up many of the available job candidates. Pools of applicants have increased, making it easier for some small businesses to fill openings. But pay expectations remain high, making it tough for others to make hires.

As the economy softens in response to interest-rate increases, some entrepreneurs are paring hiring plans in response to cutbacks by their customers. Fears of an economic slowdown also have made small-business owners more cautious—and less willing to pay up for talent.

U.S. job openings dropped to their lowest levels in nearly two years in March—the latest month with available data—and layoffs rose sharply, according to the Labor Department.

Other data show the resilience of the labor market. Employers added 253,000 jobs in April, as gains from the service sector helped fuel the largest monthly increase since January, the department said.



SEBASTIAN HIDALGO FOR THE WALL STREET JOURNAL

A worker operates machinery at Automation Systems in Melrose Park, Ill. After a hiring spurt, the company says it is fully staffed.

Automation Systems, which builds specialized machines and uses them to modify parts for customers, has scooped up more than 15 employees since the start of the pandemic, most in response to an increase in business. This year, the 46-person company is looking to hire a quality technician with automotive experience, but has scrapped plans to add two machine operators.

Spending on training and automation, investments that the Melrose Park, Ill., company made when workers were tough to find, have reduced the need for more staff.

"Last year, it was [hire] as much as we could because there were very few people to hire," said owner Carl Schanstra. "Now, we are fully staffed."

Forty-five percent of entrepreneurs said in May they expect to expand their workforces in the next 12 months, according to the survey of nearly 500 small-business owners by Vistage Worldwide, a business-coaching and peer-advisory firm. That is down from 47% in April, 58% in March and 59% in May 2022.

"With layoffs hitting bigger companies, small businesses did see an opportunity to attract talent," said Jin Yan, an economist at workforce-data company Revelio Labs. "We do not see it continuing."

TMD Holdings, which helps companies source products, laid off three of its 26 employees at the end of February after Party City declared bankruptcy and other major retail clients cut orders. The Pittsburgh-based company is trying to automate functions such

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ART SALES
A version of Magritte's 'Empire of Light' sold for $42.3 million at Sotheby's. **B3**

PROPERTY REPORT
Miami's love affair with cryptocurrency has cooled. **B6**

Musk Hints at Two New Tesla Models

By Rebecca Elliott

Elon Musk teased two new **Tesla** models while forecasting a challenging year for the carmaker as higher interest rates pinch buyers.

"Tesla is not immune to the global economic environment," the Tesla chief executive said Tuesday at the company's annual shareholder meeting in Texas.

Mr. Musk's comments came after shareholders elected former Chief Technology Officer JB Straubel to the company's board, while re-electing Mr. Musk and Robyn Denholm, who chairs the board.

Mr. Musk didn't provide details about the two new products, though said Tesla could produce more than five million units a year of the two models combined.

Company executives previously outlined plans to introduce a vehicle that costs half as much to produce as the Model 3.

Mr. Musk also said Tesla expects to complete engineering and design of its revamped Roadster sports car this year, with production possibly starting in 2024. Mr. Musk previously said the new Roadster would be available in 2020. First deliveries of the Cybertruck pickup are expected later this year.

The shareholder meeting came days after Mr. Musk said Linda Yaccarino would be taking over from him as CEO of

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Conferences Return, Lifting Las Vegas and Other Cities

By Austen Hufford

LAS VEGAS—The thousands of construction workers, business owners and suppliers who thronged this city in March helped its conferences pass a major milestone: their biggest monthly attendance since before the pandemic.

Nearly 140,000 of them flocked to ConExpo, the nation's largest construction industry event, where they could check out the latest excavators and cranes, network and eat barbecue together. This marked the first ConExpo since it closed early three years ago when fear of Covid-19 halted most big, in-person gatherings.

Now, convention halls here and across the country are filling up again, restoring a vital source of economic fuel that had been cut off during the pandemic and was slow to recover in many cities. The Events Industry Council, a federation of meeting-industry trade groups, said its indexes that track conference and hotel demand in North America surpassed 2019 levels in the fourth quarter.

Vegas is an extreme example of the impact because it relies more than most on tourism.

"It's a feast for the eyes," said Kris Guetterman, the owner of an excavation company in Bucyrus, Kan., who said he spent $1,500 to fly to Las Vegas to look at new equipment, including a material loader that sells for $80,000 or more. "Everyone brings their biggest toy. Their biggest product. Their most high-end thing."

Las Vegas—with its jungle of hotels, casinos, theaters and restaurants—is a city built for out-of-towners. About half of southern Nevada's $154 billion in gross economic output last year came from visitor spending and tourism is the region's largest employer, according to the Las Vegas Convention and Visitors Authority.

The Las Vegas-Henderson-Paradise metro area hasn't fully recovered from pandemic lockdowns that shut down its economy and sent its jobless rate soaring to 34% in April 2020, without seasonal adjustments. Unemployment has fallen since then to 5.7% in

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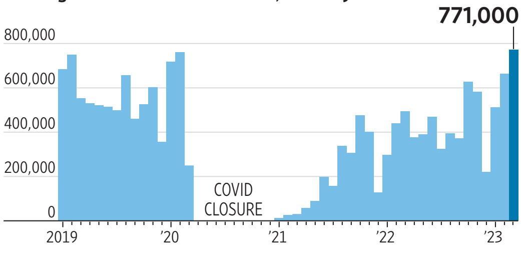
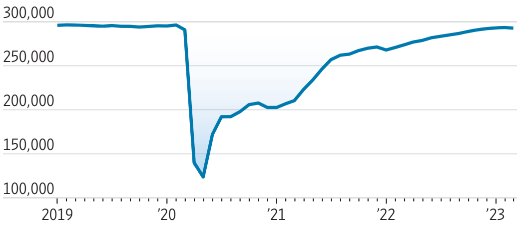
Las Vegas convention attendance, monthly totals



Jobs in the Las Vegas leisure and hospitality industry*



*Seasonally adjusted

Sources: Las Vegas Convention and Visitors Authority (convention attendance); Labor Department via St. Louis Fed (jobs)

Holmes, Balwani To Pay Restitution

By Meghan Bobrowsky

A U.S. district court on Tuesday ordered Theranos founder Elizabeth Holmes and her former second-in-command, Ramesh "Sunny" Balwani, to pay $452 million in restitution to investors, including $125 million to Rupert Murdoch, executive chairman of News Corp., which owns The Wall Street Journal.

In a separate decision on Tuesday, the U.S. Court of Appeals for the Ninth Circuit ruled that Ms. Holmes can't stay out of prison pending her appeal.

The appeals court said Ms. Holmes's appeal doesn't raise a substantial question of law and that even if it did, it is unlikely it would be enough to overturn her fraud conviction.

Ms. Holmes, the disgraced founder of blood-testing startup Theranos, was convicted of wire fraud and conspiracy to commit wire fraud against the company's investors in January 2022. She was sentenced to more than 11 years in prison.

Ms. Holmes was originally scheduled to report to prison on April 27, but her reporting date was delayed while the appeals court considered her re-

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BUSINESS & FINANCE

California's Green-Fuel Program Gets Too Popular for Its Own Good

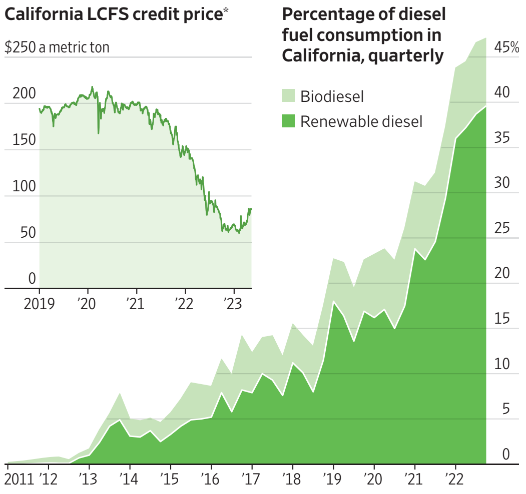
By Bob Henderson

A boom in the production of green trucking fuel is punishing renewable-energy producers across the country, thanks to the shifting market for California's low-carbon fuel credits.

U.S. production of renewable diesel, which is made from feedstocks such as beef tallow and soybean oil, has tripled over the past three years. Truckers and fuel producers say the gains are driven by federal incentives and the state's Low Carbon Fuel Standard program, which issues resellable credits to firms that sell low-carbon fuels such as ethanol in California.

Those credits can make biofuels far more lucrative for producers than their petroleum-based relatives. And because producers earn California's credits only for renewable diesel sold into the state, the vast majority of the country's production ends up there.

Now, in a twist few in the industry anticipated, the green-diesel boom has tanked the market for California's credits, which are now trading



*Data through May 10
Sources: Oil Price Information Service (credit price); California Air Resources Board (consumption)

for about $84 per metric ton, down from over $200 at the beginning of 2021.

The price of an LCFS credit represents a cost, in dollars per metric ton, of carbon emissions exceeding the state's targets. The price is set by supply and demand. Producers of low-carbon fuels get credits based on a set formula. Demand comes from refiners and importers of conventional petroleum-based fuels who buy them to reduce their carbon footprints.

The renewable-diesel boom has lifted biofuels to nearly 50% of the diesel used in California, while helping the state reduce greenhouse-gas emissions by about 13% since the program was instituted in 2011.

The credit-price collapse threatens the economics of some renewable-energy projects and highlights how unanticipated market dynamics can compromise government objectives. Mandatory carbon-credit markets, such as California's, and voluntary ones, which U.S. companies are increasingly relying on to meet climate goals, have emerged among the main tools used to fight global warming.

"People in the industry had always thought that the lowest it could go was $150, or $125," said Yaniv Scherson, chief operating officer of **Anaergia**, a Canadian company that builds and runs renewable natural-gas facilities, referring to the per-metric-ton value of a credit.

The firm's facilities include one in Rialto, Calif., about 50 miles east of Los Angeles, that captures the methane emissions of up to 1,000 tons a day of food waste and turns it into fuel for specially designed trucks.

Two Online Brokers To End China Apps Under Pressure

By James T. Areddy And Elaine Yu

Two Nasdaq-listed online brokerages that cater to clients in China are preparing to further curtail their offerings in the country, amid tightening controls by Beijing on private firms, capital flight and data flows.

Futu Holdings and **Up Fintech Holding**, known as Tiger Brokers, are planning to remove apps from online stores in China that allow their customers to trade stocks overseas, according to people familiar with the matter.

After The Wall Street Journal reported on the plans to curtail the apps, a Tiger Brokers spokesperson said the company would remove its trading platform from app stores in mainland China starting Thursday. The company said it is making the change to comply with the China Securities Regulatory Commission's requirements on its cross-border operations in the country, and that its existing clients wouldn't be affected by the change.

Beijing said the U.S.-listed brokers violated the law on cross-border trades.

Futu said that it would remove its Futubull app in the country starting Friday, and that existing clients in mainland China can still make trades on the app afterward, according to a regulatory filing.

Shares of Tiger fell over 7% in U.S. trading on Tuesday, while Futu dropped 4.4%.

The companies' latest actions follow a December statement by China's securities regulator, which said both brokers had violated laws by allowing their clients on the mainland to make cross-border trades. Both Futu and Tiger offer services to Chinese citizens who already hold dollars and other currencies in bank accounts abroad, a source of business also tapped by China-based financial firms and global banks and institutions.

The two brokers are reducing their services in China as a variety of companies face questions about how they should operate in the country. Chinese regulators have increased their scrutiny of foreign businesses, including questioning staff in consulting firm Bain & Co.'s Shanghai office and detaining the Beijing-based employees of U.S. due-diligence company Mintz Group. Foreign executives have become increasingly worried about shifting boundaries for offering services in China.

The forced removal of the Futu and Tiger apps may further dent confidence about the direction of regulation in the country, the people said.

Futu and Tiger, which have popular retail-trading trading apps similar to Robinhood Markets in the U.S., are used by individuals from China and elsewhere to trade stocks and other financial investments listed on major international exchanges in the U.S., Hong Kong and other locations.

The industry exists in a gray zone as the companies are regulated in markets where they operate—such as Hong Kong and Singapore—while dealing with customers who are sometimes citizens of mainland China, where different rules apply. Futu, which counts China's Tencent Holdings as a substantial investor, is incorporated in the Cayman Islands and is based in Hong Kong. Up Fintech, which is also incorporated in the Cayman Islands, is run from Singapore and Beijing.

To serve customers in China, Futu and Tiger—like many international financial institutions outside the country—take advantage of a Chinese regulation that allows the country's nationals to legally transfer out of China the yuan equivalent of $50,000 annually.

Venture Returns Weaken

Continued from page B1

venture funds hit a nine-year-low earlier this year, The Wall Street Journal reported.

Many large investors started backing startups through venture funds as interest rates stuck near zero, looking for better returns from tech companies that were staying private longer. Startups are a riskier asset that also offered the prospect of a bigger profit—and venture returns outpaced those of other investments for years.

The resulting flood of cheap capital boosted the paper valuations of startups to levels that far surpassed their maturity as businesses. In the second quarter of 2021, the yearly internal rate of return for venture funds was 74%, a record, the PitchBook data show.

As the selloff in technology stocks deepened last year, new funding for startups slowed and venture firms began to lower the internal value they assigned to their startup investments, affecting fund performance.

Many of these firms had invested the bulk of their cash when private valuations hit highs two years ago, contributing to the severity of the markdowns. In 2022,

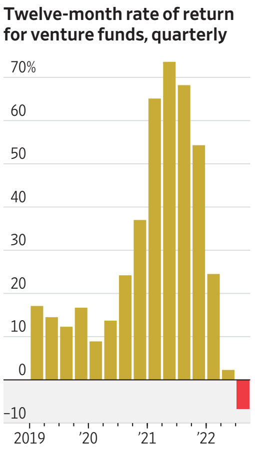
Tiger Global marked down the value of its startup investments by about 33% across its venture-capital funds, the Journal reported, erasing $23 billion in value. The firm was the most active U.S. startup investor in 2021 and developed a reputation for paying high prices to win competitive deals.

NORIKO HAYASHI/BLOOMBERG NEWS

SoftBank reported a $3.9 billion loss in the private holdings of its Vision Fund for the first quarter.

The tech-heavy Nasdaq has risen around 20% since the beginning of the year, raising the prospects of a broader recovery in technology valuations. But venture investors say that the bulk of startup write-downs have yet to occur, given that the market is still far below its 2021 peak, and that they expect more companies to raise cash at lowered valuations in the coming months.

Japanese technology investor **SoftBank Group** reported a $3.9 billion loss in the private holdings of its Vision Fund for the first quarter, citing the markdowns of weaker-performing startups and the share-price declines among similar public businesses. The fund, launched in 2017, has backed hundreds of privately held startups and is the largest venture fund raised to date.



Source: PitchBook Data

The third-quarter yearly return rate of minus 7% was driven by the poor performance of larger funds—over $250 million—that invested more heavily in mature companies as opposed to startups just getting off the ground, according to PitchBook.

In March, payments giant **Stripe** raised new funding at a $50 billion valuation, down from $95 billion in March 2021. Such "down rounds," where startups raise cash at lower prices, have become more common in recent months, investors say.

"Too much capital flooded into the ecosystem in venture capital, in particular in the time period between 2015 and 2021," said Max Gazor, a general partner at VC firm CRV. That environment caused venture firms to "bid excessively high prices" to win competitive deals that may now look overvalued, he said.

Holmes Bid Is Rejected

Continued from page B1

quest. A new reporting date hasn't been set. Neither a lawyer for Ms. Holmes nor a spokesperson for the government responded to requests for comment.

The district court recommended that Ms. Holmes serve her time at a federal prison camp in Bryan, Texas, that allows for family visitation.

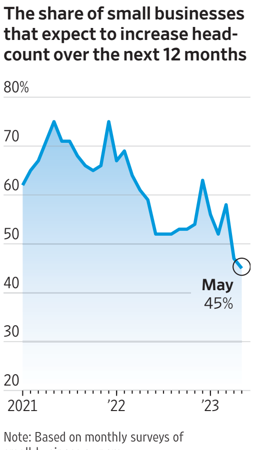
The Ninth Circuit also denied Mr. Balwani's request to stay out of prison while he appealed his conviction for defrauding Theranos investors and patients. He is serving his nearly 13-year prison sentence at a federal facility in San Pedro, Calif.

He and Ms. Holmes are jointly responsible for the $452 million in restitution, which means the government can try to recover that sum between the two of them.

The federal government had previously asked for more than $800 million in restitution, according to court filings.

Theranos, at its peak, was valued at more than $9 billion by investors. Ms. Holmes owned half of it, she said during her trial. Since then, the company has been dissolved and Ms. Holmes has already paid $500,000 to settle securities-fraud charges with the Securities and Exchange Commission.

U.S. District Judge Edward Davila, in his sentencing memo, concluded that Ms. Holmes had caused roughly $120 million in losses to investors. Ms. Holmes's lawyers had argued she shouldn't have to pay any restitution, saying the government failed to calculate the actual loss to investors.



Note: Based on monthly surveys of small-business owners
Source: Vistage Worldwide

Businesses Cut Plans For Hiring

Continued from page B1

as lead generation and scheduling so it can do more with its existing staff, said TMD President Joe Kelly.

TMD hopes to offset the decline in the retail sector by expanding its industrial and custom sourcing businesses. Mr. Kelly said he would hire as many as six sales representatives this year if he could find the right people, but thinks adding one or two is more likely. "They are hard to find, but when we do find them, they are gold," he said.

Hiring challenges have made small businesses reluctant to lay off workers. Some 60% of entrepreneurs said delaying hiring was their preferred way to cut costs, according to Vistage's survey in April. Fifty-six percent of those surveyed said they had already implemented cost-cutting measures or planned to do it.

Small-business hiring plans have been weaker on only two occasions since the launch of the survey in 2012: during the early portion of the Covid-19 shutdown from April to June 2020 and the federal fiscal cliff crisis in 2012.

"There is no question that CEOs are downshifting into a slowing economy," said Vistage chief research officer Joe Galvin. Despite caution about adding additional workers, "no one is willing to shed the hard-earned and expensive employees they hired," he said. Entrepreneurs often still struggle to fill openings when workers leave, he added.

Some companies are still pushing forward with planned increases. HPL Contract, a manufacturer of commercial office furniture in Patterson, Calif., is looking to add as many as 10 employees this year, bringing total head count close to 70. About half the new roles will be in engineering, product management and design; the rest will be production workers to help fill out a new second shift, said HPL President Frank Stratiotis.

"The rest of the year is pretty strong," Mr. Stratiotis said. "It's up to me and my sales team to continue to stimulate [sales] and innovate." The company's electronic lockers and personal storage units are particularly popular as employers rethink their use of office space, he said.

Some small businesses say it is getting easier to fill openings. "There's more urgency from prospective employees," said David Poole, owner of Molly Maid of Greater Charleston in South Carolina, adding it takes fewer applicants to find the best candidates than it did 18 months ago. Mr. Poole said he has sweetened incentives for the cleaners and the pay they earn increased as the franchise raised its prices.

Talent availability varies by industry sector and role. Paul Noonan, co-owner of Avatar-Fleet, a software developer focused on the transportation industry, is seeing better candidates for technical roles than during the pandemic. But he is struggling to fill openings for maintenance workers at his other business, Roundhouse Apartments, which owns apartments and shopping plazas in Akron, Ohio.

"The guys who can sling paint and solder a pipe, wire an outlet," Mr. Noonan said, "they are a little harder to find."

BUSINESS NEWS

Magritte Painting Sells for $42.3 Million

Sotheby's auctions smaller, earlier version of surrealist artist's 'Empire of Light'

By Kelly Crow

FROM LEFT: STEVE TAYLOR/SOPA IMAGES/ZUMA PRESS; MICHAEL OCHS ARCHIVES/GETTY IMAGES

Left: Sotheby's staff hold René Magritte's 'L'Empire des lumieres' in London during a preview. Above, the late record executive Mo Ostin; he acquired the painting in 1979.

Collectors were ready to see the "Light," again.

A little over a year after Sotheby's sold a 4-foot-wide version of Belgian surrealist René Magritte's "Empire of Light" for a record-setting $79 million, the house sold a smaller, earlier version of the same house in silhouette for $42.3 million on Tuesday. It was expected to sell for at least $35 million, but four collectors chased it higher in a nearly 10-minute-long bidding war.

The lower price for this latest example likely reflects subtle differences in size, palette, year and ownership history that collectors have long used to calibrate values for pieces in the same series, dealers said.

Sotheby's expert Brooke Lampley said the 1951 version that went on the block Tuesday has the bluest sky of Magritte's 17 oil paintings, which may prove to be a selling point.

"The Empire of Light" series, which Magritte painted over several decades starting in the late 1940s, depicts a paradoxical combination of a house aglow at night set against a bright, cloud-speckled sky.

Tuesday's version still ranks as Magritte's second-highest price ahead of a 1937 portrait of a man in a business suit with a lightbulb head, "The Pleasure Principle," that Sotheby's sold for $26.8 million five years ago, according to auction database Artnet.

Last year's 1961 record-setter at Sotheby's London made Magritte the creator of the second-most valuable painting in dollars to ever sell in Europe, Sotheby's said. Its buyer remains anonymous.

Five years ago, a 1937 Magritte portrait of a man in a business suit with a lightbulb head, "The Pleasure Principle," was sold at Sotheby's for $26.8 million, according to auction database Artnet.

Christie's sold an even smaller, 1949 piece from "The Empire of Light" series in 2017 for $20.5 million, above its $18 million high estimate.

Sotheby's also held a subsequent sale led by a $53.2 million Gustav Klimt seascape, "Island in the Attersee," that was rescued in 1939 from Nazi occupation by the Neue Galerie founder Otto Kallir. The seagreen Klimt was exhibited as part of Kallir's 1940 show, "Saved from Europe," at Galerie St Etienne in New York that largely introduced the Austrian modernist and his peer Egon Schiele to U.S. audiences. It was estimated to sell for around $45 million, and the winning telephone bid was fielded by a Sotheby's specialist who tends to work heavily with Japanese collectors.

The house also tossed in an old master into the sale mix on Tuesday, selling Sir Peter Paul Rubens's "Portrait of a Man as Mars" from 1620 for $26.2 million.

Part of Sex Lawsuit vs. Ex-ABC Executive Restored

By Joe Flint

A New York appeals court reinstated parts of a lawsuit previously dismissed by a lower court in which a former ABC News producer accused former network executive Michael Corn of creating a hostile work environment, sexual harassment and improper sexual contact.

Mr. Corn, a former executive producer of ABC News's "Good Morning America," had been accused in a 2021 lawsuit by Kirstyn Crawford of assaulting her during a 2015 business trip to Los Angeles and subsequently stalling her professional career.

Mr. Corn has previously denied the claims.

The suit also named ABC, a unit of **Walt Disney**, as a defendant, alleging the company received complaints about Mr. Corn's conduct from several women, going back roughly a decade but failed to take disciplinary action.

ABC News declined to comment. In a filing to dismiss Ms. Crawford's suit in 2021, ABC News had said it terminated Mr. Corn after an "investigation determined that it was more likely than not that Corn violated ABC's policies."

In a ruling last June, New York state Supreme Court Judge Barbara Jaffe said the statute of limitations for the 2015 incident had expired and that Ms. Crawford—who left ABC News in 2021—also failed to prove that Mr. Corn had fostered a hostile work environment since the alleged 2015 incident.

On Tuesday, the state Supreme Court Appellate Division's First Department said it overturned the lower court's decision to dismiss the hostile-work-environment and sex-discrimination claims against Mr. Corn. It said the allegations supporting those claims were timely, "as she has sufficiently alleged facts comprising 'a single continuing pattern of unlawful conduct,'" and hence remained part of the suit.

Milt Williams, Ms. Crawford's lawyer, said the case will now be able to bring in "predatory and discriminatory conduct she endured at ABC." Meredith Cavallaro, Mr. Corn's lawyer, said she expected the hostile-environment claim to eventually be dismissed on its merits.

STEPHANIE KEITH/BLOOMBERG NEWS

A customer shopped at the grand reopening of the Century 21 store in New York City on Tuesday.

Century 21 Discount Retailer Returns to New York Roots

By Kate King

Century 21, the department store chain famous for its deeply discounted designer clothing before shutting down in 2020, is attempting a comeback with a more streamlined approach to retail.

Call it Century 21 light. The flagship location next to the World Trade Center in lower Manhattan opened its doors again on Tuesday.

The owners said the store will no longer feature categories such as home décor and full-price makeup counters. It will instead dedicate floor space to midtier and high-end designer apparel, dropping budget items that could easily be found at other off-price retailers.

"It's definitely going back to our roots," said co-owner Raymond Gindi, whose family founded the business 62 years ago. "That's how we started, and we think that's what the customer wants."

Century 21 was popular with tourists and locals alike. It was featured on an episode of HBO's "Sex & the City" and Kim Kardashian was photographed shopping there. The store sold many of the same men's and women's designer brands as the more stately Bergdorf Goodman and Saks Fifth Avenue, but at a fraction of the price.

The discounter offered a no-frills shopping experience with stores that weren't always well lit and sometimes a little chaotic as customers rummaged through items. A dressing room at the flagship store for years was communal, lacking in privacy.

Inside the reopened store, the lighting is brighter and the cash registers have been moved closer to the escalators to make them easier for customers to find. The fitting rooms are slightly larger.

The family has no current plans for additional locations but hasn't ruled out the possibility of opening more in the future, Mr. Gindi said.

Century 21 filed for chapter 11 protection and closed its 13 stores in New York, New Jersey, Pennsylvania and Florida in 2020. The department store operator was forced into bankruptcy due to plummeting sales during the Covid-19 pandemic and a dispute with its insurance providers.

The Gindi family bought the Century 21 brand and intellectual property out of bankruptcy in November 2020, weeks after the Chapter 11 filing, with the goal of reopening. The store will comprise only half the footprint it occupied before the pandemic. Still, the location will span four floors and 100,000 square feet with about 500 employees, including corporate staff.

The Gindis are partnering with Legends, a company that manages the retail, food and beverage operations at Yankee Stadium among other venues. Legends will run operations and other services for Century 21.

Century 21 is still working on its e-commerce site and plans to have it up and running in two or three months. In surveying its customers and potential customers, Century 21 found that they didn't place a high priority on services such as picking up items bought online.

Last week, Century 21 unlocked its doors for an unannounced soft opening and shoppers eagerly stepped inside.

Bonita Atkinson, a Queens resident who has worked in the neighborhood for decades, said she would come into Manhattan early to shop before work to avoid the crowds at lunchtime.

She took the escalator downstairs to browse the children's section. "It's a few changes, but I'll have it down pat before you know it," Ms. Atkinson said.

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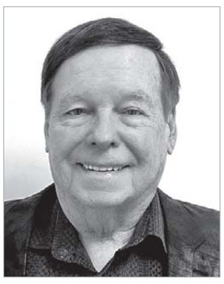

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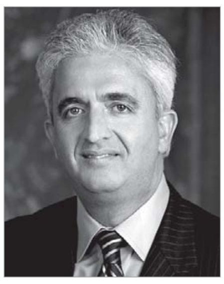

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Kenneth Matsumura, MD
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CLASS ACTION

UNITED STATES DISTRICT COURT, SOUTHERN DISTRICT OF NEW YORK

In re GRUPO TELEVISA SECURITIES LITIGATION Civil Action No. 18-cv-1979-LLS

SUMMARY NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED GRUPO TELEVISA, INC. ("TELEVISA") AMERICAN DEPOSITARY RECEIPTS ("ADRs") DURING THE PERIOD BETWEEN APRIL 11, 2013 TO NOVEMBER 17, 2017, INCLUSIVE ("CLASS" OR "CLASS MEMBERS")

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

YOU ARE HEREBY NOTIFIED that a hearing will be held on **August 8, 2023, at 2:30 p.m.**, before the Honorable Louis L. Stanton at the United States District Court for the Southern District of New York, Daniel Patrick Moynihan United States Courthouse, 500 Pearl Street, New York, NY, 10007 to determine whether: (1) the proposed settlement (the "Settlement") of the above captioned Litigation as set forth in the Stipulation of Settlement dated April 14, 2023 ("Stipulation")[1] for $95,000,000.00 in cash should be approved by the Court as fair, reasonable, and adequate; (2) the Judgment as provided under the Stipulation should be entered dismissing the Litigation with prejudice; (3) to award Boies Schiller Flexner LLP, on behalf of itself and Sugarman Susskind Braswell & Herrera, attorneys' fees, costs, and expenses out of the Settlement Fund and Class Representative an incentive award out of the Settlement Fund (as defined in the Notice of Proposed Settlement of Class Action ("Notice"), which is discussed below) and, if so, in what amount; and (4) the Plan of Allocation should be approved by the Court as fair, reasonable, and adequate. The Court may adjourn or continue the Settlement Hearing, or hold it via telephone or video conference, without further notice to Members of the Class.

IF YOU PURCHASED OR ACQUIRED TELEVISA ADRs FROM APRIL 11, 2013 TO NOVEMBER 17, 2017, INCLUSIVE, YOUR RIGHTS ARE AFFECTED BY THE SETTLEMENT OF THIS LITIGATION.

To share in the distribution of the Settlement Fund, you must establish your rights by submitting a Proof of Claim and Release form by mail (**postmarked no later than August 8, 2023**) or electronically (**no later than August 8, 2023**). Your failure to submit your Proof of Claim and Release by **August 8, 2023** will subject your claim to rejection and preclude you from receiving any recovery in connection with the Settlement of this Litigation. If you purchased or acquired Televisa ADRs from April 11, 2013 through November 17, 2017, inclusive, you will be bound by the Settlement and any judgment and release entered in the Litigation, including, but not limited to, the Judgment, whether or not you submit a Proof of Claim and Release.

If you have not received a copy of the Notice, which more completely describes the Settlement and your rights thereunder (including your right to object to the Settlement), and a Proof of Claim and Release, you may obtain these documents, as well as a copy of the Stipulation (which, among other things, contains definitions for the defined terms used in this Summary Notice) and other Settlement documents, online at www.grupotvsecuritieslitigation.com, or by writing to:

Grupo Televisa Securities Litigation, c/o Kroll Settlement Administration,
PO Box 225391, New York, NY 10150-5391

Inquiries should NOT be directed to Defendants, Defendants' Counsel, the Court, or the Clerk of the Court.

Inquiries, other than requests for the Notice or for a Proof of Claim and Release, may be made to Lead Counsel:

John T. Zach, Lauren M. Goldman, BOIES SCHILLER FLEXNER LLP, 55 Hudson Yards, 20th Floor, New York, NY 10001, televisasettlement@bsfllp.com, Toll-Free Telephone: 866-276-2377

IF YOU DESIRE TO BE EXCLUDED FROM THE CLASS, YOU MUST SUBMIT A REQUEST FOR EXCLUSION SUCH THAT IT IS **RECEIVED BY JULY 10, 2023**, IN THE MANNER AND FORM EXPLAINED IN THE NOTICE. ALL MEMBERS OF THE CLASS WHO HAVE NOT REQUESTED EXCLUSION FROM THE CLASS WILL BE BOUND BY THE SETTLEMENT EVEN IF THEY DO NOT SUBMIT A TIMELY PROOF OF CLAIM.

IF YOU ARE A CLASS MEMBER, YOU HAVE THE RIGHT TO OBJECT TO THE SETTLEMENT, THE PLAN OF ALLOCATION, THE REQUEST BY LEAD COUNSEL, BOIES SCHILLER FLEXNER LLP, FOR AN AWARD OF ATTORNEYS' FEES ON BEHALF OF ITSELF AND SUGARMAN SUSSKIND BRASWELL & HERRERA NOT TO EXCEED THIRTY PERCENT (30%) OF THE SETTLEMENT AMOUNT AND COSTS AND EXPENSES NOT TO EXCEED $1,500,000.00, PLUS INTEREST EARNED ON BOTH AMOUNTS AT THE SAME RATE AS EARNED BY THE SETTLEMENT FUND, AND THE REQUEST BY LEAD COUNSEL PURSUANT TO 15 U.S.C. §78U-4(A)(4) FOR AN AWARD TO CLASS REPRESENTATIVE NOT TO EXCEED $10,000.00. ANY OBJECTIONS MUST BE FILED WITH THE COURT AND RECEIVED BY LEAD COUNSEL AND DEFENDANTS' COUNSEL **BY JULY 18, 2023** IN THE MANNER AND FORM EXPLAINED IN THE NOTICE.

DATED: April 20, 2023 BY ORDER OF THE UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

[1] The Stipulation can be viewed and/or obtained at www.grupotvsecuritieslitigation.com.

PUBLIC NOTICES

TENDER NOTICE

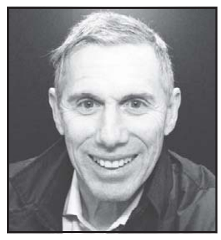
ITALIAN TRADE AGENCY

ITA – The Italian Governmental agency that supports the business development of Italian companies abroad and promotes the attraction of foreign investment in Italy, with its registered office in Rome, Via Liszt 21, has announced a public tender process under the terms of Article 60 of Legislative Decree No. 50/2016, as amended and supplemented, with a view to concluding a contract for the design, development and management of an influencer marketing campaign aimed at raising quality awareness of the Italian gold sector supply chain, to be conducted on the e-procurement platform - Tender for an ASP (Gara in ASP) - of the Consip website www.acquistinretepa.it as it has been specified in the tender documentation, in accordance with Articles 40 and 58 of the Code and in compliance with the provisions of Legislative Decree No. 82/2005. Estimated bid contract value: €929,000.00 plus VAT.

The bids, along with all the documentation set out in the call for tenders and the tender specifications, must be submitted electronically via the website https://www.acquistinretepa.it in the 'Other Calls for Tender' (Altri Bandi) section - ID:3524957 - by the final deadline of **29/05/2023 at 12:00 p.m;** failure to do so will result in the bidder being excluded from the tender. The tender is regulated by the call for tender, sent to the Publications Office of the European Union (POEU) to be published in the Official Journal of the European Union on **27/04/2023** and by the tender specifications which, along with all the tender documentation and the declaration and self-certification forms, are available on the website https://www.acquistinretepa.it in the 'Other calls for tender' (Altri Bandi) section and on the ITA Agency website: www.ice.it, 'Transparent Administration' (Amministrazione Trasparente) section, 'Calls for tenders and contracts' (Bandi di gara e contratti) - 'Tenders in progress' (Gare in corso) section. Official language: Italian, including for the purposes of information and correspondence.

Person in charge of the process: Mr Luca Di Persio

ANNOUNCEMENTS



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NOTICE OF SALE

UPPER EAST SIDE MANHATTAN BANKRUPTCY AUCTION

162-164 East 82nd Street, New York, NY (Block 1510, Lots 0045 & 0046)

Auction Date: Thurs, June 15, 2023, 11:00 A.M. (EST)

Bid Deadline: Tues, June 13, 2023, 5:00 P.M. (EST)

OPENING BID: $10,000,000

The Corbin Group at Rosewood Realty has been exclusively retained to run the bankruptcy sale of two contigiuos Upper East Side apartment buildings located at 162-164 East 82nd Street, New York, NY. The properties boast a combined 19,607 SF and 37 residential units. Just a few blocks away from central park and the areas best restaurants, boutiques, art, and shopping.

Interested bidders must contact Chaya Milworn of Rosewood Realty Group at Chaya@Rosewoodrg.com for more information on how to participate.

NOTICE OF SALE

NOTICE OF SALE

PLEASE TAKE NOTICE, that in accordance with applicable provisions of the Uniform Commercial Code as enacted in New York, by virtue of certain Event(s) of Default under that certain Ownership Interests Pledge and Security Agreement dated as of September 28, 2017 (the "**Pledge Agreement**"), executed and delivered by HYPERION PARTNERS, LLC (the "**Pledgor**"), and in accordance with it rights as holder of the security, MPLC Lender LLC (the "**Secured Party**"), by virtue of possession of that certain Share Certificate held in accordance with Article 8 of the Uniform Commercial Code of the State of New York (the "**Code**") and by virtue of those certain UCC-1 Filing Statement made in favor of Secured Party, all in accordance with Article 9 of the Code, Secured Party will offer for sale, at public auction, (i) all of Pledgor's right, title, and interest in and to the following: SKYLIGHT PARTNRS, LLC (the "**Pledged Entity**"), and (ii) certain related rights and property relating thereto (collectively, (i) and (ii) are the "**Collateral**"). Secured Party's understanding is that the principal asset of the Pledged Entity is that certain fee interest in the premise located at 1587 Third Avenue, New York, NY 10128 (the "**Property**").

Mannion Auctions, LLC ("Mannion"), under the direction of **Matthew D. Mannion**, licensed auctioneer (DCA #1434494) (the "**Auctioneer**"), will conduct a public sale consisting of the Collateral (as set forth in Schedule A below), via online bidding, on **June 7, 2023 at 3:00pm**, in satisfaction of an indebtedness in the approximate amount of $**1,446,622.59**, including principal, interest on principal, and reasonable fees and costs, plus default interest through June 7, 2023, subject to open charges and all additional costs, fees and disbursements permitted by law. The Secured Party reserves the right to credit bid.

Online bidding will be made available via Zoom Meeting: https://bit.ly/HyperionUCC. Meeting ID: 854 7384 2676. Passcode: 458935. One Tap Mobile: +16465588656,,854 73842676#,,,,*458935# US (New York) One Tap Mobile: +16469313860,,85473842676#,,,,*458935# US

Dial by your location: +1 646 558 8656 US (New York); +1 646 931 3860 US

Bidder Qualification Deadline: Interested parties who intend to bid on the Collateral must contact Greg Corbin ("Corbin"), at Rosewood Realty Group, 152 West 57th Street, 5th Flr., New York, NY 10019, (212) 359-9904, greg@rosewoodrg.com, to receive the Terms and Conditions of Sale and bidding instructions by **June 5, 2023 by 4:00 pm.** Upon execution of a standard confidentiality and non-disclosure agreement, additional documentation and information will be available. Interested parties who do not contact the Rosenberg and qualify prior to the sale will not be permitted to enter a bid.

SCHEDULE A: PLEDGOR: *HYPERION PARTNERS, LLC, a New York limited liability company. ISSUER: SKYLIGHT PARTNERS, LLC, a New York limited liability company.* ***INTERESTS PLEDGED:*** *100% membership interest. The UCC1 was filed on March 15, 2023 with the New York State Department of State under the Filing No. #202303150090157.*

KRISS & FEUERSTEIN LLP, Attn: Jerold C. Feuerstein, Esq., Attorneys for Secured Party, 360 Lexington Avenue, Suite 1200, New York, New York 10017, (212) 661-2900

NOTICE OF SALE

PLEASE TAKE NOTICE, that in accordance with applicable provisions of the Uniform Commercial Code as enacted in New York, by virtue of certain Event(s) of Default under that certain Amended and Restated Ownership Interests Pledge and Security Agreement dated as of October 18, 2018 (the "Pledge Agreement"), executed and delivered by DANIEL SHALOM (the "**Pledgor**"), and in accordance with it rights as holder of the security, MPLC Lender LLC (the "**Secured Party**"), by virtue of possession of that certain Share Certificate held in accordance with Article 8 of the Uniform Commercial Code of the State of New York (the "**Code**") and by virtue of those certain UCC-1 Filing Statement made in favor of Secured Party, all in accordance with Article 9 of the Code, Secured Party will offer for sale, at public auction, (i) all of Pledgor's right, title, and interest in and to the following: CLINTON ASSOCIATES LLC (the "**Pledged Entity**"), and (ii) certain related rights and property relating thereto (collectively, (i) and (ii) are the "**Collateral**"). Secured Party's understanding is that the principal asset of the Pledged Entity is that certain fee interest in the premise located at 438-440 West 45th Street, New York, NY (the "**Property**").

Mannion Auctions, LLC ("Mannion"), under the direction of Matthew D. Mannion, licensed auctioneer (DCA #1434494) (the "**Auctioneer**"), will conduct a public sale consisting of the Collateral (as set forth in Schedule A below), via online bidding, on **June 7, 2023 at 2:30pm,** in satisfaction of an indebtedness in the approximate amount of $**2,725,713.97**, including principal, interest on principal, and reasonable fees and costs, plus default interest through June 7, 2023, subject to open charges and all additional costs, fees and disbursements permitted by law. The Secured Party reserves the right to credit bid.

Meeting link: https://bit.ly/DSClintonUCC

Meeting ID: 885 1587 6743

Passcode: 525038

One Tap Mobile: +16469313860,,88515876743#,,,,*525038# US +16465588656,,88515876743#,,,,*525038# US (New York) Dial by your location: +1 646 931 3860 US; +1 646 558 8656 US (New York)

Bidder Qualification Deadline: Interested parties who intend to bid on the Collateral must contact Greg Corbin ("Corbin"), at Rosewood Realty Group, 152 West 57th Street, 5th Flr., New York, NY 10019, (212) 359-9904, greg@rosewoodrg.com, to receive the Terms and Conditions of Sale and bidding instructions by **June 5, 2023 by 4:00 pm.** Upon execution of a standard confidentiality and non-disclosure agreement, additional documentation and information will be available. Interested parties who do not contact Corbin and qualify prior to the sale will not be permitted to enter a bid.

SCHEDULE A: PLEDGOR: DANIEL SHALOM, an individual. **ISSUER**: CLINTON ASSOCIATES LLC, a New York limited liability company **INTERESTS PLEDGED:** 100% membership interest. The UCC1 was filed on March 20, 2023 with the California Secretary of State under the Filing No. #U230018951935.

KRISS & FEUERSTEIN LLP, Attn: Jerold C. Feuerstein, Esq., Attorneys for Secured Party, 360 Lexington Avenue, Suite 1200, New York, New York 10017, (212) 661-2900

NOTICE OF SALE

PLEASE TAKE NOTICE, that in accordance with applicable provisions of the Uniform Commercial Code as enacted in New York, by virtue of certain Event(s) of Default under that certain Ownership Interests Pledge and Security Agreement dated as of December 23, 2014 (the "**Pledge Agreement**"), executed and delivered by DANIEL SHALOM and HIGHPOINT ASSOCIATES IV, LLC (collectively, the "**Pledgor**"), and in accordance with it rights as holder of the security, MPLC Lender LLC (the "**Secured Party**"), by virtue of possession of that certain Share Certificate held in accordance with Article 8 of the Uniform Commercial Code of the State of New York (the "**Code**") and by virtue of those certain UCC-1 Filing Statement made in favor of Secured Party, all in accordance with Article 9 of the Code, Secured Party will offer for sale, at public auction, (i) all of Pledgor's right, title, and interest in and to the following: HIGHPOINT ASSOCIATES VI, LLC (the "**Pledged Entity**"), and (ii) certain related rights and property relating thereto (collectively, (i) and (ii) are the "**Collateral**"). Secured Party's understanding is that the principal asset of the Pledged Entity is that certain fee interest in the premise located at (i) 84-53 Dana Court, Queens, NY, (ii) 63-28 Woodhaven Boulevard, Queens, NY, (iii) 63-30 Woodhaven Boulevard, Queens, NY, (iv) 63-32 Woodhaven Boulevard, Queens, NY, (v) 63-34 Woodhaven Boulevard, Queens, NY, and (vi) 63-36 Woodhaven Boulevard, Queens, NY (collectively, the "**Property**").

Mannion Auctions, LLC ("**Mannion**"), under the direction of Matthew D. Mannion, licensed auctioneer (DCA #1434494) (the "**Auctioneer**"), will conduct a public sale consisting of the Collateral (as set forth in Schedule A below), via online bidding, on **June 7, 2023 at 3:30pm**, in satisfaction of an indebtedness in the approximate amount of $**1,235,143.14**, including principal, interest on principal, and reasonable fees and costs, plus default interest through June 7, 2023, subject to open charges and all additional costs, fees and disbursements permitted by law. The Secured Party reserves the right to credit bid.

Online bidding will be made available via Zoom Meeting:

Meeting link: https://bit.ly/HPointUCC

Meeting ID: 849 5519 3107

Passcode: 658730

One Tap Mobile: +16469313860,,84955193107#,,,,*658730# US +16465588656,,84955193107#,,,,*658730# US (New York) Dial by your location: +1 646 931 3860 US; +1 646 558 8656 US (New York)

Bidder Qualification Deadline: Interested parties who intend to bid on the Collateral must contact Greg Corbin ("Corbin"), at Rosewood Realty Group, 152 West 57th Street, 5th Flr., New York, NY 10019, (212) 359-9904, greg@rosewoodrg.com, to receive the Terms and Conditions of Sale and bidding instructions by June 5, 2023 by 4:00 pm. Upon execution of a standard confidentiality and non-disclosure agreement, additional documentation and information will be available. Interested parties who do not contact Corbin and qualify prior to the sale will not be permitted to enter a bid.

SCHEDULE A: Pledged Interest: PLEDGOR: DANIEL SHALOM, an individual. **ISSUER**: HIGHPOINT ASSOCIATES VI LLC, a New York limited liability company. **INTERESTS PLEDGED:** 2% membership interest. The UCC1 was filed on March 20, 2023 with the California Secretary of State under the Filing No. #U230018949941. **PLEDGOR**: HIGHPOINT ASSOCIATES IV LLC, a New York limited liability company. **ISSUER**: HIGHPOINT ASSOCIATES VI LLC, a New York limited liability company. **INTERESTS PLEDGED:** 98% membership interest. The UCC1 was filed on March 15, 2023 with the New York Department of State under the Filing No. #202303150090020. KRISS & FEUERSTEIN LLP, Attn: Jerold C. Feuerstein, Esq., Attorneys for Secured Party, 360 Lexington Avenue, Suite 1200, New York, New York 10017, (212) 661-2900.

NOTICE OF SALE

NOTIFICATION OF PUBLIC SALE OF COLLATERAL BY SECURED CREDITOR PURSUANT TO UNIFORM COMMERCIAL CODE

SIENA LENDING GROUP LLC ("Seller"), in its capacity as a secured creditor, intends to sell, assign and transfer the rights, title and interest of VINCI BRANDS LLC, f/k/a Armor Acquisition LLC ("Company"), a Delaware limited liability company in the property identified below to the highest or best qualified bidder(s), as determined by Seller, by a public sale or sales as follows:

Day and Date: Friday, May 26, 2023

Time: 1:00 p.m. (EST)

Place: Blank Rome LLP, 1271 Avenue of the Americas, New York, NY 10020 (video teleconference available)

Collateral: All assets of the Company, including accounts, inventory, goods, equipment, investment property, deposit accounts, general intangibles, tradenames, trademarks, licenses, goodwill, contract rights, customer lists, and all books and records, other than Excluded Property (collectively, the "Collateral").

Excluded Property: (i) Equipment or other property subject to a capital lease or purchase money financing, to the extent Seller does not have a lien thereon; and (ii) any United States intent-to-use trademark applications (the "**Excluded Property**").

Seller holds a security interest in the Collateral pursuant to the provisions of the Uniform Commercial Code of the State of Delaware (the "UCC") and Company's rights in the Collateral will be sold in accordance with the provisions of the UCC under such procedures and rules as Seller may determine. Seller reserves the right to modify such procedures at any time in its discretion.

The public sale will be conducted on an "**AS IS, WHERE IS**" basis, without representation or warranty of any kind from Seller as to title, quality, quantity, quiet enjoyment, merchantability, fitness for a particular purpose, or any other matter. Bids may be in bulk only (unless Seller elects otherwise). Any bidder must be prepared to accept the terms and conditions set forth in a certain Asset Sale Agreement to be provided upon request (the "Proposed Sale Agreement"). All bidders must be pre-qualified on or before 5:00 p.m. EST on May 22, 2023 to participate in the auction and for such purpose shall provide Seller with, among other information, financial information and other documents necessary to demonstrate its ability to close the transaction within the time frame set forth below and with information to satisfy the requirements of Seller as to AML and OFAC regulations. No bids shall be subject to any further due diligence or financing contingencies. Among other conditions, in order for a bidder to be pre-qualified, each bidder must enter into a customary confidentiality agreement and post with Seller a good faith deposit in an amount equal to the greater of (a) $1,200,000 and (b) ten percent (10%) of its bid, in cash, by an irrevocable letter of credit, or cashier's or bank check, or by wire transfer of immediately available funds, which will be refundable if the bidder is not the successful bidder; provided that Seller may accept other assurances as to the creditworthiness of the bidder in its sole discretion. Unless otherwise agreed to by Seller, closing of the sale will occur on May 26, 2023, and payment of the entire balance of the purchase price will be due and payable to Seller on such date by cashier's or bank check or by wire transfer of immediately available funds. Seller reserves the right to credit bid in such amount as may determine in its sole and absolute discretion.

This notification does not constitute a binding offer by Seller to sell the Collateral. Seller reserves the right to adjourn postpone or cancel the sale for any reason it may determine.

Inquiries concerning the sale, including any requests for the Proposed Sale Agreement and financial information as to Company and other terms of sale, may be made to Keith Holler at (203) 883-5669. On a confidential basis only, any bidder that has been qualified shall be entitled to receive a copy of the Proposed Sale Agreement prior to the date of the auction sale.

If you plan to attend the sale, please contact Chrissy Napolitano at Blank Rome at 212-885-5380 in advance so that we can alert building security or provide video teleconference information.

NOTICE OF SALE

PLEASE TAKE NOTICE, that in accordance with applicable provisions of the Uniform Commercial Code as enacted in New York, by virtue of certain Event(s) of Default under that certain Amended and Restated Ownership Interests Pledge and Security Agreement dated as of October 18, 2018 (the "**Pledge Agreement**"), executed and delivered by DANIEL SHALOM (the "**Pledgor**"), and in accordance with it rights as holder of the security, MPLC Lender LLC (the "**Secured Party**"), by virtue of that certain UCC-1 Filing Statement made in favor of Secured Party, all in accordance with Article 9 of the Uniform Commercial Code of the State of New York (the "**Code**"), Secured Party will offer for sale, at public auction, (i) all of Pledgor's right, title, and interest in and to the following: LIBERTY VENTURES LLC (the "**Pledged Entity**"), and (ii) certain related rights and property relating thereto (collectively, (i) and (ii) are the "**Collateral**"). Secured Party's understanding is that the principal asset of the Pledged Entity is that certain fee interest in the premise located at 331 East 14th Street, New York, NY 10003 (the "**Property**").

Mannion Auctions, LLC ("**Mannion**"), under the direction of Matthew D. Mannion, licensed auctioneer (DCA #1434494) (the "**Auctioneer**"), will conduct a public sale consisting of the Collateral (as set forth in Schedule A below), via online bidding, on **June 7, 2023 at 2:00pm,** in satisfaction of an indebtedness in the approximate amount of $**5,014,266.79**, including principal, interest on principal, and reasonable fees and costs, plus default interest through June 7, 2023, subject to open charges and all additional costs, fees and disbursements permitted by law. The Secured Party reserves the right to credit bid.

Online bidding will be made available via Zoom Meeting:

Meeting link: https://bit.ly/DSLibertyUCC

Meeting ID: 828 8561 9676

Passcode: 856629

One Tap Mobile: +16465588656,,82885619676#,,,,*856629# US (New York) +16469313860,,82885619676#,,,,*856629# US Dial by your location: +1 646 558 8656 US (New York); +1 646 931 3860 US

Bidder Qualification Deadline: Interested parties who intend to bid on the Collateral must contact Greg Corbin ("Corbin"), at Rosewood Realty Group, 152 West 57th Street, 5th Flr., New York, NY 10019, (212) 359-9904, greg@rosewoodrg.com, to receive the Terms and Conditions of Sale and bidding instructions by June 5, 2023 by 4:00 pm. Upon execution of a standard confidentiality and non-disclosure agreement, additional documentation and information will be available. Interested parties who do not contact Corbin and qualify prior to the sale will not be permitted to enter a bid.

SCHEDULE A: Pledged Interest: PLEDGOR: DANIEL SHALOM, an individual. **ISSUER:** CLINTON ASSOCIATES LLC, a New York limited liability company. **INTERESTS PLEDGED:** 100% membership interest. The UCC1 was filed on March 20, 2023 with the California Secretary of State under the Filing No. #U230018951935. KRISS & FEUERSTEIN LLP, Attn: Jerold C. Feuerstein, Esq., Attorneys for Secured Party, 360 Lexington Avenue, Suite 1200, New York, New York 10017, (212) 661-2900.

NOTICE OF SECURED PARTY PUBLIC AUCTION OF 100% OF THE LIMITED LIABILITY COMPANY INTERESTS IN 560 SEVENTH AVENUE OWNER PRIMARY LLC

PLEASE TAKE NOTICE that, in accordance with applicable provisions of the Uniform Commercial Code as enacted in New York, **AREPIII MVTS, LLC**, a Delaware limited liability company (together with its successors and assigns, individually and/or collectively, as the context may require, "**Secured Party**"), will sell all of the limited liability company interests (the "**Collateral**") held **by 560 SEVENTH AVENUE OWNER SECONDARY LLC**, a Delaware limited liability company, in and to 560 SEVENTH AVENUE OWNER PRIMARY LLC, a Delaware limited liability company (the "**Pledged Entity**"), to the highest qualified bidder at a public sale. The public sale will take place beginning at 10:00 a.m. Eastern Daylight Time (New York) on July 10, 2023, both in person and remotely from the offices of Paul Hastings LLP, 200 Park Avenue, New York, New York 10166, with access afforded in person and remotely via Zoom or other web-based video conferencing and/or telephonic conferencing program selected by Secured Party. Remote log in credentials will be provided to registered bidders. Secured Party's understanding is that the principal asset of the Pledged Entity is the parcel of real property commonly known as 650 Seventh Avenue (a/k/a 205 W. 40th Street), New York, New York, currently occupied by and operated as the Margaritaville Resort Times Square. The Collateral will be sold to the highest qualified bidder; provided, however, that Secured Party reserves the right to cancel the sale in its entirety, or to adjourn the sale to a future date by announcement made at the time and place scheduled for the public sale. The sale will be conducted by a NYC Division of Consumer Affairs Licensed Auctioneer or such other person designated by the Secured Party. The Collateral will be sold as a single lot, and will not be divided or sold in any lesser amounts. Interested parties who intend to bid on the above Collateral must contact Brock Cannon of Newmark & Company Real Estate, Inc. d/b/a Newmark at email: brock.cannon@nmrk.com, tel: 212-372-2066, to receive the Terms of Public Sale and bidding instructions. Upon execution of a standard non-disclosure agreement, additional documentation and information will be made available. Interested parties who do not contact the Secured Party and qualify prior to the public sale will not be permitted to enter a bid or participate at the public sale either in person or remotely.

PAUL HASTINGS LLP
Attorneys for Secured Party
Attn: Eric R. Allendorf, Esq.
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TECHNOLOGY

Verizon Narrows Its Unlimited Data Plans

By Will Feuer

Verizon is trimming the cost and number of its wireless plans, hoping that making them less confusing will attract customers it has been losing to rivals.

The largest U.S. wireless carrier by subscribers on Tuesday said it is reducing its lineup of unlimited mobile plans from six to two, a move that executives said is meant to simplify customers' options. Essentially it is dropping its most expensive data plans.

For four lines, Verizon's two new mobile plans, called Unlimited Welcome and Unlimited Plus, will be offered at a monthly price of $30 a line and $45 a line, respectively. For a single line, the price would be $65 a line and $80 a line.

Its previous lineup ranged in monthly price from $30 a line to $55 a line for plans with four lines. For a single line, its monthly plans were between $65 to $90.

The two new options will be presented under an umbrella called myPlan, through which users can choose from add-on subscriptions, including a Disney streaming bundle and Walmart+ membership. All of the subscriptions cost $10 a month, which is below their monthly retail prices.

Previous plans offered multiple subscription services in a bundle. Under the new plans, those services can be added individually.

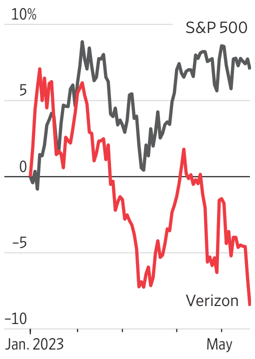
The new plans will be available to new or existing customers starting Thursday, but existing customers can opt to continue on their current plan.

"There are a lot of customers who are going to end up buying more from us because they like the value they get from it," said Sowmyanarayan Sampath, head of Verizon's consumer unit. "A lot of customers are going to say, 'I just want the network.' "

If a new Verizon customer wanted to recreate what used to be Verizon's highest-tier unlimited plan, it would end up costing more than it previously did, said Roger Entner, founder of Recon Analytics. He said the new plans put the responsibility on customers to create their own bundle, and to figure out if it is economical for them.

"The way to get people to spend more is typically not through a math exercise," Mr. Entner said.

Share and index performance, year to date



Source: FactSet

AARON M. SPRECHER/BLOOMBERG NEWS

The company's tech chief JB Straubel was elected to the board.

New Tesla Models Are Teased

Continued from page B1

social-media platform Twitter. Mr. Musk, who previously said the hire would allow him to devote more time to Tesla, described Twitter as a "short-term distraction."

"I had to do some major open-heart surgery on Twitter to ensure the company's survival," Mr. Musk said. "I think Twitter is now in a stable place."

Some Tesla investors have expressed concerns that Tesla's board hasn't done enough to keep Mr. Musk focused on the automaker's day-to-day needs. Those worries have been fueled, in part, by a slump in Tesla's share price, increasing competition in the electronic-vehicle market and Mr. Musk's takeover of Twitter. The billionaire also runs rocket company SpaceX.

"It doesn't feel like they're really adequately standing up to the CEO," said Ivan Frishberg, chief sustainability officer at **Amalgamated Bank**, which manages investments in Tesla and signed an April letter calling on board members to improve their "meager oversight" of Mr. Musk.

In a video released ahead of the meeting, Ms. Denholm described the company's board as "dedicated and engaged."

Mr. Musk, asked by an investor whether he was considering stepping down as Tesla CEO, said he wasn't.

Tesla has lost nearly half of its market value since its last annual meeting, in August 2022, when interest rates were lower and demand more robust. A recent wave of price cuts contributed to a 24% decline in first-quarter profit. Tesla has signaled that it intends to remain aggressive with pricing, testing investors' willingness to back growth over profit. The EV maker remains the world's most valuable car company, valued at more than $500 billion.

Mr. Musk joked about how he has been an advertising naysayer for years and now owns a social-media company that relies on ads.

Tesla has lost nearly half of its market value since its last annual meeting.

"I guess I should say 'advertising is awesome and everyone should do it,'" he said, adding that Tesla would "try a little advertising and see how it goes."

Later on Tuesday, Mr. Musk said Tesla was facing limits in China, a key market for the carmaker. "There are some constraints on our ability to expand in China," Mr. Musk said in a CNBC interview after the shareholder event. "We're making as many cars as we can. It's not a demand issue," he said.

Shareholders rejected a proposal asking Tesla to prepare and maintain a report on what is known as its key-person risk, citing Mr. Musk's prominence and a lack of clarity around succession planning.

Watch a Video

Scan this code to watch a video on how Elon Musk's net worth wavers.

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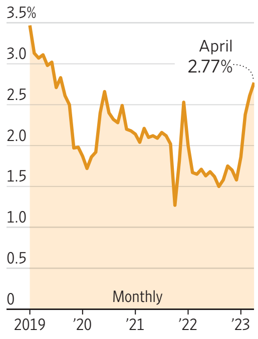
THE PROPERTY REPORT

Office Sector Sees Distressed Sales Rise

Uptick in troubled-building deals shows more owners believe weak demand will linger

Delinquency rate of office loans that were converted into commercial mortgage-backed securities



Source: Trepp

By Peter Grant

Property owners are starting to unload troubled office buildings at fire-sale prices, a sign that the office market slump is moving into a new phase where more landlords are ready to capitulate.

In recent weeks, **Blackstone** sold the Griffin Towers office complex in Santa Ana for $82 million, or about 36% less than the firm paid in 2014, say people familiar with the matter. **Principal Financial Group** sold a Parsippany, N.J., office building for $14.3 million, down from the $52 million it paid in 2008, according to participants in the sale.

The tower at 350 California in San Francisco, valued at $300 million in 2019, is expected to trade at about $60 million, or roughly 80% below that previous valuation.

Office-building values steadily declined during the pandemic as shifting workplace strategies reduced demand for space and vacancies rose. Higher interest rates also hammered the sector, making it much more difficult for landlords to refinance a property or fund the building improvements and amenities needed to attract tenants.

Still, up until recently, the office-sales market has been moribund. Investors purchased $10.7 billion worth of office property in the first quarter of this year, down 68% from the same period last year, according to data provider MSCI Real Assets.

The lack of activity is common in the early stages of real-estate market downturns because owners try to extend their loans or find other solutions, rather than dump their properties at a big loss. During the financial crisis, many owners negotiated mortgage extensions with creditors on the assumption that office markets would rebound when the economy started expanding.

HINES

Investment manager Hines paid $60 million for a new office tower in Washington, D.C., less than half what it cost to develop.

Now, the uptick in troubled office-building sales indicates more owners believe weak demand is here to stay. The volume of distressed-office deals is expected to rise even further in the months to come, as billions of dollars worth of mortgages need to be refinanced.

Listings of office buildings for sale are rising. "Office inventory is growing," said Steven Jacobs, president of Ten-X, one of the biggest auctioneers of commercial property online. "Investors want out."

Sales at marked-down prices likely will put more downward pressure on the office market, not only by establishing lower prices for comparisons but by undercutting their competitors' rents, market participants say.

For example, a buyer who pays far less than replacement cost for a building in a market where neighbors charge $25 a square foot, will be able to rent space at $15 a square foot, said Mr. Jacobs. "They're going to annihilate those other buildings," he said.

Ten-X listed 91 office properties in the first quarter, up 44% from the first quarter in 2022. The second quarter of this year is on track for similar growth, Mr. Jacobs said. In the first week in May, Ten-X held 11 successful auctions of office properties.

Most of those traded at sharp discounts. On average, the sellers met the market at prices that were about 31% below their initial expectations, Mr. Jacobs said. During the same period one year ago, office sellers accepted an average 7.1% discount, he said.

The delinquency rate of office loans that were converted into commercial mortgage-backed securities increased to 2.77% in April, the highest rate since August 2019, according to data firm Trepp. In the first quarter, 26 office buildings were taken over by creditors in foreclosure actions, compared with six in the first quarter of 2022, according to MSCI.

Some buyers are finding the discount pricing too good to resist. In Chicago, the investment firm of the family that owns Jose Cuervo tequila is in advanced talks to buy 300 South Wacker Drive for about $100 million, a 38% discount from 2017, according to people familiar with the matter.

Jose Perez, a managing director of the firm, **Agave Holdings**, declined to comment on any specific deal. But, in general, he said Agave is looking at discounted office deals throughout the country.

"We have learned from the past, that when everyone is selling, buy; and when everyone is buying, sell," he said.

Miami's Love of Crypto Is Cooling

By Deborah Acosta

A year ago, when the annual bitcoin conference opened in Miami, the city was arguably the country's biggest booster of digital currencies. MiamiCoin traded on a global crypto exchange. The Miami Heat basketball team played at FTX Arena, and cryptocurrency exchange Blockchain.com was preparing to move its headquarters to a splashy office in the city's Wynwood neighborhood.

As Miami prepares to host Bitcoin 2023 on May 18, none of those things is true anymore. Skepticism toward digital currencies has been rising ever since FTX filed for bankruptcy last year and its co-founder, Sam Bankman-Fried, was arrested on fraud and other charges.

While the two biggest cryptocurrencies—bitcoin and ether—rallied this year, the global market cap for cryptocurrencies is down 60% from its peak in November 2021, according to data provider CoinGecko.

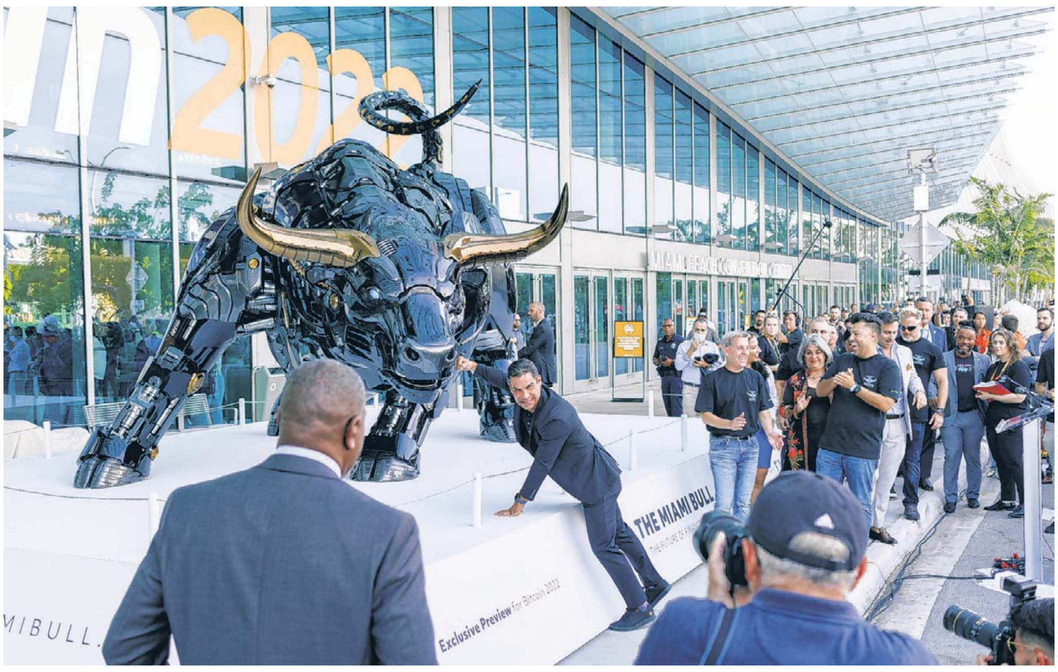
Probably nowhere has the country's about-face on crypto been more pronounced than in Miami, where Mayor Francis X. Suarez once referred to his city as the world's crypto capital.

The Heat are playing their postseason home games at Kaseya Center, after Miami-Dade County severed ties with FTX. The exchange that hosted MiamiCoin halted trading in March after its value fell more than 99%. Blockchain.com won't be occupying the Wynwood office space, triggering a lawsuit for unpaid fees between the building's owner and the broker.

Even though he continues to receive his salary in bitcoin, the mayor no longer takes every chance to promote Miami as a crypto haven. "We thought it was a great opportunity, as a fintech marker, for us to jump in and be able to differentiate ourselves," Mr. Suarez said about digital currencies. "I don't regret us being innovative."

Many other Miami officials and business leaders soured on crypto, no longer counting on it as a main driver in the city's quest to become a world-class business and financial center. Even such locals who are part of the city's digital-currency economy are openly critical.

"Most of crypto was a pyramid scheme," said Ryan Kirkley, a local businessman who runs and advises early-stage blockchain and artificial-intelligence companies and helps connect them with venture capital.



JAMES JACKMAN FOR THE WALL STREET JOURNAL

Mayor Francis X. Suarez last spring with the newly unveiled Miami Bull statue outside the Miami Beach Convention Center.

At Miami's NFT conference earlier this spring, attendance was down by about 1,500 from last year, a spokesman for the conference said. The spokesman said the turnout exceeded expectations based on the market.

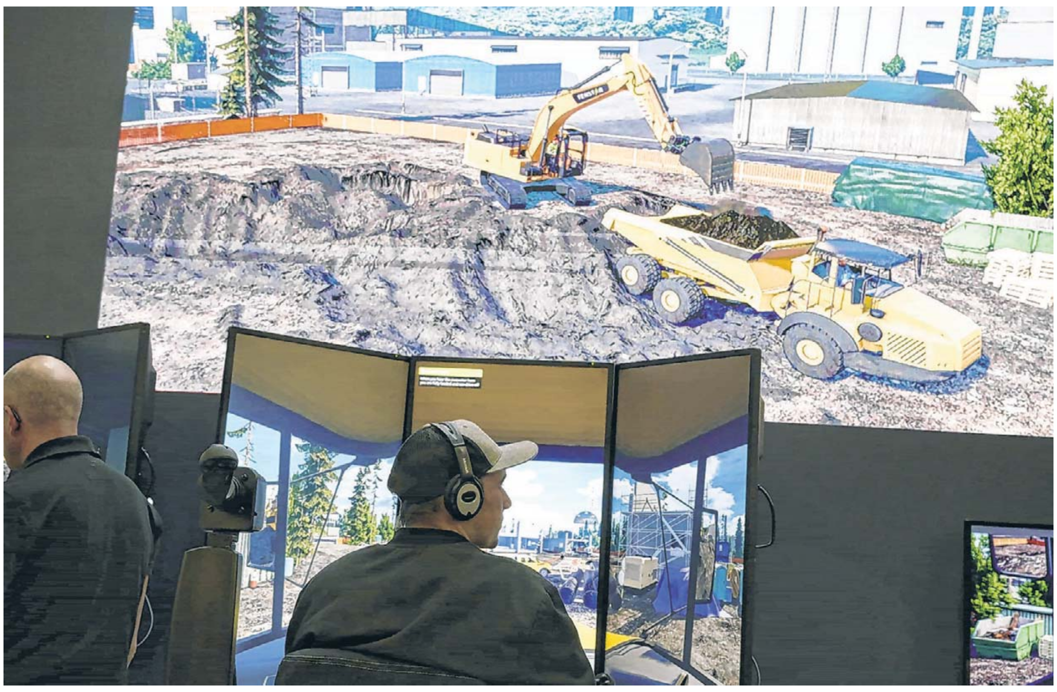
Now, some of the city's most prominent crypto proponents are backing away from the business. E11even Hotel and Residences, named for the popular nightclub where much of the crypto crowd spent their free time and money, accepted crypto for condos in a building where some units were priced as high as $20 million. After the collapse of FTX, which facilitated its crypto transactions, it stopped accepting payments in digital currencies.

Other crypto-related firms are ensnared in legal actions. **Yuga Labs** last year was valued at $4 billion and its flagship NFT collection—known as the Bored Ape Yacht Club—was plastered on T-shirts worn throughout Miami crypto circles. In December, the company was hit with a class-action lawsuit. The complaint alleges that the firm artificially inflated the price of its digital offerings by using celebrity insiders, who promoted the NFTs without disclosing their financial relationships to the firm.

MoonPay, a Miami firm that allegedly facilitated the NFT transactions between the firm and the promoters, has been named in the suit along with several celebrities including Gwyneth Paltrow, Madonna, Justin Bieber and Jimmy Fallon.

"We strongly believe that these opportunistic claims are without merit and we look forward to proving as much," a Yuga Labs spokesman said. The other defendants have either declined to comment or denied the allegations.

Conferences Make a Comeback



BRIDGET BENNETT/BLOOMBERG NEWS

March's ConExpo, the U.S.'s largest construction industry event, drew nearly 140,000 attendees to Las Vegas, giving the city a boost.

Continued from page B1

March but remains above its prepandemic level of 4.3% in February 2020. The metro area saw a larger swing in unemployment than the country as a whole. The U.S. jobless rate peaked at nearly 15% in April 2020, and was near a half-century seasonally adjusted low of 3.5% in March.

March employment at restaurants, hotels and entertainment venues remained below prepandemic levels.

Last year, convention attendance—at five million people—was still about 25% below 2019 levels.

If attendance continues to rise this year, it could help feed local job growth. The events directly employ receptionists, security guards and janitors, and attendee spending flows as well to taxi drivers, florists, waiters and, in Las Vegas, Elvis impersonators.

"In 32 years, it's the busiest it's ever been," said Elvis impersonator Jesse Garon, who performed for a crane-parts supplier at ConExpo. "I didn't know it could get this good. We ain't turning nothing down."

Siegel's Bagelmania, a deli serving pastrami sandwiches and garlic bagels located between the Vegas strip and the convention center, stays open longer and sees an increase in dine-in and catering orders during big business events, said Michael Crandall, an executive at the company that owns the eatery.

"When there are conventions in town, forget about it," Mr. Crandall said. "The line is out the door, around the corner."

Spending by Las Vegas convention attendees last year supported 38,000 area jobs, $2.1 billion in wages and $7.5 billion in direct economic impact, the local convention authority said in an April report.

Amanda Belarmino, a hospitality professor at the University of Nevada-Las Vegas, said the return of conference travel has surpassed expectations.

"It's much more robust than anyone would have predicted," Ms. Belarmino said. The upturn in business travel over the past year has been good for the region's economy. "The convention industry was the last piece of the puzzle," she said.

Economists said that travelers provide an economic and tax boost to cities without using services, like schools.

"They come, spend and leave," said Angelos Angelou, president of an economic-impact research firm that has produced reports for events and conferences like South by Southwest and Lollapalooza. "It's the kind of economic bonanza that any type of city would love to have."

Attendance at in-person business conferences was higher in the first three months of this year compared with the same time frame in 2019 at gatherings across the country that use Cvent Holding's event-planning software, according to the company. Cvent said 100,000 event planners use its platform.

Some cities are betting on the postpandemic comeback of business events.

In January, Seattle opened a $2 billion downtown addition to its convention center. In November, voters in Dallas approved a $4 billion convention center expansion, funded through hotel taxes.

Craig Davis, chief executive of Visit Dallas, a nonprofit that promotes travel to the city, said convention-center business is close to prepandemic levels so far this year.

Mr. Davis added that after the Sept. 11 terrorist attacks in 2001 and the 2008 financial crisis, some people said that business travel and conferences wouldn't recover.

"They have been calling for our death many, many times," he said. "Meetings are back."

Still, he said the Dallas visitors bureau is preparing for a short-term slowdown in tourism because of the possibility of a U.S. recession. Some companies, including Microsoft and 3M, have cut travel budgets amid economic uncertainty.

China's Demand for Oil Surges to Record

Boom contrasts with forecast for lackluster growth in Europe and North America

By Will Horner

China's insatiable demand for oil is growing at a faster-than-expected pace, threatening to tighten crude markets and send oil prices higher as supplies struggle to keep up, the International Energy Agency said.

COMMODITIES The Paris-based agency's latest outlook points to a widening divide between booming demand for crude across the developing world and lackluster demand in Europe and North America where economic prospects look bleak.

It also highlights a growing disconnect between oil prices—which have tumbled to their lowest levels in around 16 months in recent weeks—and expectations that strong demand for oil and limited supplies will prompt a sharp deficit that many analysts expect to lift oil prices.

In its closely watched monthly oil market report, the IEA raised its forecast for global oil demand growth this year by 200,000 barrels a day, to 2.2 million barrels a day. It said total demand would stand at 102 million barrels a day, 100,000 barrels a day more than it forecast last month.

China's share of that increase, already expected to be large, appeared to be growing and "continues to surpass expectations," the IEA said. The nation's crude demand hit a record 16 million barrels a day in March while China will account for 60% of all oil demand growth this year, the IEA said.

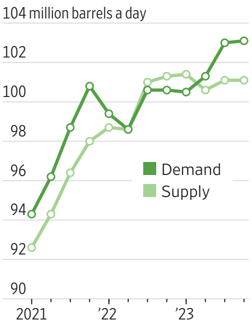
While demand is set to boom in China and across the developing world, high interest rates and lingering inflation in developed nations are keeping demand for oil there in check. Efforts by Western governments to encourage a shift away from polluting fossil fuels are further heightening that gap as developing economies continue to see oil and coal as more affordable fuel sources.

Oil demand in the developed nations that make up the Organization for Economic Cooperation and Development will grow by just 350,000 barrels a day this year, the IEA said—around 16% of the total expected oil demand growth. The rest, around 1.9 million barrels a day, will come from non-OECD nations, primarily in Asia.

As oil demand grows this year, the IEA expects the oil market to slip into a large deficit as oil producers struggle to keep pace. Demand is expected to exceed supply in the current quarter for the first time since early 2022, with that gap growing to around 2 million barrels a day by the end of the year.

For 2023, global supplies are expected to average 101.1 million barrels a day, 1.2 million barrels a day more than in 2022.

IEA global oil supply and demand estimates, quarterly



Note: Supply figures based on current OPEC+ targets
Source: IEA

Recent steps by major oil producers have only added to that growing gap. A plan by some of the largest members of the Organization of the Petroleum Exporting Countries to cut production by more than a million barrels a day began this month. Meanwhile, oil producers in the U.S. have been reluctant to invest money in new production.

Those OPEC cuts could see output from the group and its allied producers—known collectively as OPEC+—fall by 850,000 barrels a day between April and the end of the year, the IEA expects. Meanwhile, output from non-OPEC+ nations is expected to rise by 710,000 barrels a day in that time.

Despite the IEA's forecasts for a tightening oil market, crude prices have remained subdued, offering some relief to economies and consumers struggling with high inflation. Concerns about the health of the U.S. banking system have been the latest issue to dog the outlook for global economic growth and weigh on crude prices.

Meanwhile, supplies from Russia have remained stronger than expected, helping to further depress prices. Russian oil exports hit 8.3 million barrels a day in April, their highest level since the invasion of Ukraine in February 2022, as Moscow doesn't appear to have fully followed through on a plan to slash output by 500,000 barrels a day, the IEA said.

Brent crude oil, the international oil benchmark, hit its lowest level since December 2021 this month. It fell 0.4% to $74.91 a barrel on Tuesday, following the release of the IEA report.

The forecast of strong Chinese demand and a growing deficit from the IEA—and from other major energy forecasters such as the Energy Information Administration and OPEC—is why many analysts are expecting oil prices will rebound this year.

"The current market pessimism...stands in stark contrast to the tighter market balances we anticipate in the second half of the year," the IEA said.

Baker Hughes to Stress Dividends Over Buybacks

By Mark Maurer

Baker Hughes's new finance chief wants to give priority to raising dividends over share buybacks, a philosophical shift for the oil-field-services company as it nears the end of a restructuring aimed at lifting profit margins and reducing costs.

The Houston-based company is planning to evaluate this summer the pace and rate it would like to increase the dividend over time, with the intention of making a recommendation to the board later this year, said Chief Financial Officer Nancy Buese, who has served in the role for roughly six months.

"We should be able to improve and increase the dividend," she said. "To me, that's the biggest mark that management can provide in terms of confidence in the future."

The company generally aims to return 60% to 80% of its free cash flow to shareholders. Those rewards in recent years have included buybacks, dividends and distributions to **General Electric**, which recently sold its remaining stake in the company. GE, until this year, was entitled to receive distributions on an equal per-share amount of any dividend paid by Baker Hughes.

BAKER HUGHES

Baker Hughes CFO Nancy Buese

Baker Hughes has typically spent more on share buybacks than dividends. Its buybacks averaged $639.3 million a year from 2016 through 2022, compared with dividend payouts averaging $381.6 million a year over that period, a review of filings shows.

Baker Hughes paid $192 million in dividends during the first quarter, up from $172 million in the prior-year period. It bought back no shares in that quarter, compared with $236 million in repurchases in the prior-year period.

In October, the month before Ms. Buese became CFO, the board approved expanding the buyback program to $4 billion from the $2 billion authorized in 2021. Baker Hughes had $2.8 billion remaining in the program as of March 31.

Baker Hughes plans to maintain a slower buyback pace for now, repurchasing at least enough to cover share dilution from compensation awards, potentially around $200 million a year, Ms. Buese said. It bought back $828 million in shares in 2022, up from $434 million the year earlier, filings show.

Ms. Buese said she prefers to do buybacks in times of market dislocation or when the stock is trading down distinctively from others. "We will be pretty cautious about buybacks at this point in time and really provide that optionality around cash balances and plenty of dry powder," she said. "In terms of capital-allocation priority, share buybacks are not at the top of the list."

The dividend push comes as the company seeks to expand its margins. Ms. Buese, who joined Baker Hughes in November from gold producer **Newmont**, where she was CFO for six years, has been focused on helping deliver $150 million in cost savings by year-end. The plan was launched under her predecessor, Brian Worrell, who took on the role in 2017.

The company said it expects savings from staff cuts and other reductions as part of a plan unveiled last year to reduce four reporting segments to two: oil-field services and equipment, and industrial and energy technology.

The restructuring is helping remove duplicative spending, for example by assessing market data for the company overall rather than for four individual segments, Ms. Buese said. "There are a lot of efficiencies in operating this way," she said.

The cost initiative will help lift Baker Hughes's margins, and that work will continue in the coming years, in part because long-term contracts drive much of its business, Ms. Buese said. Some of the work the company does next year could have been contracted two years earlier.

Baker Hughes's profit margins, particularly for its oil-field-services segment, have historically been lower than that of its competitors such as **SLB**, formerly known as Schlumberger, and **Halliburton**, in part due to costs and underlying performance.

Baker Hughes had an operating margin of 5.6% in 2022, compared with 17.8% and 13.3% for the other companies, respectively.

"The important part is that we continue to show improvement, quarter over quarter, year over year," Ms. Buese said. The company reported an 18% rise in revenue to $5.72 billion for the first quarter, compared with the prior-year period. Net income totaled $576 million in the quarter, up from $72 million in the prior-year period.

The company's efforts to expand its industrial and energy technology business present an opportunity to use some of those cash flows to fund dividend payments, said James West, a senior managing director at Evercore ISI, the research arm of the financial-services firm. Baker Hughes said it booked more than $400 million in new energy orders in 2022, up roughly 50% from the previous year.

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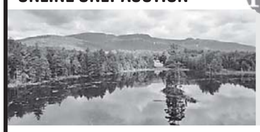

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Please take notice that Hilco Real Estate, on behalf of IRP Fund II Trust 1B (or any successor thereto, the "Secured Party"), offers for sale at public auction under Article 9 of the Uniform Commercial Code, to be held virtually on August 8, 2023 at 11 a.m. Eastern Time, 100% of the limited liability company membership interests (the "Interests") in 7 Campus NJ, LLC (the "Borrower") pledged by 7 Campus NJ Members, LLC (the "Member") to Secured Party. The Borrower is the owner of a 3-story office located at 7 Campus Drive, Parsippany-Troy Hills Township, Morris County, New Jersey, as well as related real and personal property interests (collectively, the "Property").

The Secured Party holds a loan to the Borrower secured by, among other things, a first priority lien on the Interests pledged by the Member. The Secured Party is offering the Interests for sale in connection with the foreclosure on the pledge of such Interests. The amount of the secured obligations owed to the Secured Party is in excess of $13.6 million.

The Interests are being offered as a single lot on an "as-is, where-is", with no express or implied warranties, representations, statements or conditions of any kind made by the Secured Party or any person acting for or on behalf of the Secured Party, without any recourse whatsoever to the Secured Party or any other person acting for or on behalf of the Secured Party. The winning bidder shall be responsible for the payment of all transfer taxes, stamp duties and similar taxes incurred in connection with the purchase of the Interests.

The Secured Party reserves the right to credit bid, set a minimum reserve price, reject any or all bids (including without limitation any bid that it deems to have been made by a bidder that is unable to satisfy the requirements imposed by the Secured Party upon prospective bidders in connection with the sale or to whom in the Secured Party's sole judgment a sale may not lawfully be made) and terminate or adjourn the sale to another time, without further notice. The Secured Party further reserves the right to restrict prospective bidders to those who will represent that they are purchasing the Interests for their own account for investment not with a view to the distribution or resale of such Interests, to verify that the certificate for the Interests to be sold bears a legend substantially to the effect that such interests have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and may not be disposed of in violation of the provisions of the Securities Act and to impose such other limitations or conditions in connection with the sale of the Interests as the Secured Party deems advisable in order to comply with the Securities Act or any other applicable law.

All bids (other than credit bids of the Secured Party) must be for cash, and the successful bidder must be prepared to deliver immediately available good funds within 60 days after the sale (unless otherwise agreed by Secured Party) and otherwise comply with the bidding requirements. Further information concerning the Interests, the requirements for obtaining information and bidding on the interests and the Terms of Sale are available upon request to:

Jonathan Cuticelli
Hilco Real Estate
jcuticelli@HilcoGlobal.com
(203) 561-8737

COMMODITIES

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Futures Contracts

Metal & Petroleum Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Copper-High (CMX)-25,000 lbs.; $ per lb.							
May	3.7360	3.7370	▼	3.6455	**3.6545**	–0.0830	1,665
July	3.7430	3.7545	▼	3.6570	**3.6670**	–0.0840	129,141
Gold (CMX)-100 troy oz.; $ per troy oz.							
May					**1988.40**	–29.60	119
June	2021.30	2022.70		1989.10	**1993.00**	–29.70	247,068
July	2030.10	2030.10		1999.10	**2002.80**	–29.80	1,745
Aug	2040.80	2042.00		2008.50	**2012.20**	–29.90	233,208
Oct	2058.40	2060.40		2028.10	**2031.40**	–30.00	11,083
Dec	2076.20	2079.50		2046.00	**2049.60**	–30.20	33,487
Palladium (NYM) - 50 troy oz.; $ per troy oz.							
May					**1507.60**	–30.70	1
June	1523.00	1535.50		1492.50	**1499.60**	–30.70	7,838
Platinum (NYM)-50 troy oz.; $ per troy oz.							
May					**1070.00**	–7.80	1
July	1070.50	1078.70		1061.80	**1066.90**	–7.80	67,820
Silver (CMX)-5,000 troy oz.; $ per troy oz.							
May	23.910	24.025		23.785	**23.737**	–0.390	439
July	24.265	24.275		23.805	**23.893**	–0.398	116,842
Crude Oil, Light Sweet (NYM)-1,000 bbls.; $ per bbl.							
June	71.32	71.79		70.45	**70.86**	–0.25	168,116
July	71.28	71.76		70.44	**70.84**	–0.25	318,992
Aug	71.11	71.55		70.27	**70.66**	–0.25	184,439
Sept	70.85	71.23		69.96	**70.33**	–0.25	151,599
Oct	70.39	70.81		69.64	**69.94**	–0.25	173,644
Dec	69.71	70.06		68.84	**69.22**	–0.24	226,143
NY Harbor ULSD (NYM)-42,000 gal.; $ per gal.							
June	2.3802	2.3965		2.3436	**2.3639**	–.0141	55,040
July	2.3639	2.3769		2.3277	**2.3467**	–.0130	65,101
Gasoline-NY RBOB (NYM)-42,000 gal.; $ per gal.							
June	2.4717	2.4887		2.4457	**2.4791**	.0071	66,453
July	2.4265	2.4402		2.4005	**2.4294**	.0059	81,094
Natural Gas (NYM)-10,000 MMBtu.; $ per MMBtu.							
June	2.373	2.470		2.341	**2.376**	.001	113,684
July	2.533	2.630		2.506	**2.534**	–.008	343,014
Aug	2.613	2.705		2.586	**2.609**	–.015	100,675
Sept	2.609	2.693		2.577	**2.598**	–.022	159,800
Oct	2.703	2.787		2.679	**2.696**	–.025	111,062
Jan'24	3.904	3.991		3.888	**3.897**	–.025	77,434

Agriculture Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Corn (CBT)-5,000 bu.; cents per bu.							
July	592.00	593.00		578.25	**581.25**	–11.25	520,472
Dec	515.25	517.50	▼	501.00	**505.25**	–9.75	377,375
Oats (CBT)-5,000 bu.; cents per bu.							
July	340.25	347.25		338.50	**345.00**	4.25	3,166
Dec	357.50	357.50		353.00	**355.50**	–.50	989
Soybeans (CBT)-5,000 bu.; cents per bu.							
July	1400.00	1401.75	▼	1358.75	**1364.00**	–36.75	277,446
Nov	1230.00	1232.00	▼	1200.50	**1207.00**	–24.25	208,670
Soybean Meal (CBT)-100 tons; $ per ton.							
July	430.70	430.90		424.50	**426.90**	–4.00	182,434
Dec	395.00	395.10		390.50	**391.00**	–4.20	100,952
Soybean Oil (CBT)-60,000 lbs.; cents per lb.							
July	49.69	49.77	▼	47.02	**47.45**	–2.24	196,718
Dec	48.62	48.64	▼	46.27	**46.69**	–1.93	129,934
Rough Rice (CBT)-2,000 cwt.; $ per cwt.							
July	17.86	17.97		17.36	**17.41**	–.45	3,375
Sept	15.33	15.35		15.13	**15.18**	–.12	4,229
Wheat (CBT)-5,000 bu.; cents per bu.							
July	661.75	664.25		640.00	**647.50**	–13.25	210,644
Sept	673.50	675.50		652.75	**660.25**	–11.75	67,422
Wheat (KC)-5,000 bu.; cents per bu.							
July	897.00	902.00		882.75	**895.25**	–3.00	91,295
Sept	882.75	887.75		871.25	**884.50**	–1.00	41,433
Cattle-Feeder (CME)-50,000 lbs.; cents per lb.							
May	206.650	206.800		205.350	**205.700**	–.800	4,563
Aug	231.025	231.800		230.800	**231.475**	.425	32,053
Cattle-Live (CME)-40,000 lbs.; cents per lb.							
June	164.325	164.550		163.650	**163.875**	–.450	64,467
Aug	162.700	162.950		162.250	**162.475**	–.275	136,823
Hogs-Lean (CME)-40,000 lbs.; cents per lb.							
June	86.100	87.350		86.075	**87.200**	1.050	57,583
July	87.575	88.750		86.975	**88.125**	.625	63,196
Lumber (CME)-27,500 bd. ft., $ per 1,000 bd. ft.							
July	508.50	510.00		505.00	**505.50**	–3.00	4,683
Sept	528.50	530.50		526.00	**528.50**	...	898
Milk (CME)-200,000 lbs., cents per lb.							
May	16.21	16.24	▼	16.17	**16.22**	...	4,837
June	16.42	16.42	▼	16.14	**16.33**	–.08	6,682
Cocoa (ICE-US)-10 metric tons; $ per ton.							
July	2,980	3,008		2,974	**2,995**	15	131,348
Sept	2,989	3,019		2,986	**3,006**	14	74,391
Coffee (ICE-US)-37,500 lbs.; cents per lb.							
May	196.00	196.55		196.00	**190.35**	–2.70	52
July	188.05	193.00		185.60	**186.80**	–2.60	74,256
Sugar-World (ICE-US)-112,000 lbs.; cents per lb.							
July	26.26	26.63		26.01	**26.07**	–.22	383,922
Oct	25.90	26.25		25.67	**25.73**	–.22	250,067
Sugar-Domestic (ICE-US)-112,000 lbs.; cents per lb.							
July	42.80	42.80		42.80	**42.80**	...	476
Cotton (ICE-US)-50,000 lbs.; cents per lb.							
July	82.35	83.97		81.50	**83.38**	1.01	85,671
Dec	81.78	83.13		80.93	**82.50**	.72	72,167
Orange Juice (ICE-US)-15,000 lbs.; cents per lb.							
July	251.50	257.35		245.50	**255.10**	4.20	7,019
Sept	248.95	252.05		241.25	**249.95**	5.65	775

Interest Rate Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Ultra Treasury Bonds (CBT) - $100,000; pts 32nds of 100%							
June	137-230	138-170		136-080	**136-290**	–27.0	1,465,193
Sept	138-050	138-310		136-230	**137-120**	–27.0	13,523
Treasury Bonds (CBT)-$100,000; pts 32nds of 100%							
June	129-240	130-120		128-220	**129-040**	–21.0	1,203,962
Sept	129-300	130-180		128-280	**129-100**	–22.0	21,902
Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
June	115-070	115-185		114-230	**114-295**	–10.0	4,564,632
Sept	116-025	116-135		115-175	**115-240**	–10.5	115,705
5 Yr. Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
June	110-000	110-075		109-195	**109-242**	–8.0	4,921,307
Sept	110-195	110-277		110-072	**110-122**	–8.0	162,626
2 Yr. Treasury Notes (CBT)-$200,000; pts 32nds of 100%							
June	103-048	103-077		102-300	**103-006**	–4.5	3,055,483
Sept	103-280	103-298		103-197	**103-229**	–4.4	41,877
30 Day Federal Funds (CBT)-$5,000,000; 100 - daily avg.							
May	94.9500	94.9500		94.9450	**94.9450**	–.0025	406,807
July	94.9050	94.9150		94.8750	**94.8950**	–.0100	263,651
10 Yr. Del. Int. Rate Swaps (CBT)-$100,000; pts 32nds of 100%							
June	97-245	98-055		97-175	**97-220**	–13.5	7,097
Three-Month SOFR (CME)-$1,000,000; 100 - daily avg.							
Feb					**95.2275**		15,776
June	94.9075	94.9225		94.8700	**94.8950**	–.0125	1,313,207
Eurodollar (CME)-$1,000,000; pts of 100%							
June	94.5750	94.5925		94.5375	**94.5575**	–.0100	549,983

Currency Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Japanese Yen (CME)-¥12,500,000; $ per 100¥							
June	.7387	.7409		.7353	**.7373**	–.0014	190,907
Sept	.7492	.7512		.7458	**.7477**	–.0013	2,367
Canadian Dollar (CME)-CAD 100,000; $ per CAD							
May					**.7439**	.0014	202
June	.7432	.7466		.7416	**.7430**	...	156,124
British Pound (CME)-£62,500; $ per £							
June	1.2535	1.2556		1.2475	**1.2495**	–.0044	233,583
Dec					**1.2518**	–.0040	8,801
Swiss Franc (CME)-CHF 125,000; $ per CHF							
June	1.1209	1.1252		1.1189	**1.1204**	–.0013	43,325
Sept	1.1320	1.1362		1.1301	**1.1315**	–.0012	629
Australian Dollar (CME)-AUD 100,000; $ per AUD							
June	.6709	.6719		.6660	**.6667**	–.0042	165,798
Sept	.6732	.6739		.6682	**.6688**	–.0042	765
Mexican Peso (CME)-MXN 500,000; $ per MXN							
June	.05694	.05700		.05662	**.05686**	–.00008	256,130
Sept					**.05583**	–.00007	754
Euro (CME)-€125,000; $ per €							
June	1.0897	1.0926		1.0876	**1.0889**	–.0007	770,078
Sept	1.0948	1.0976		1.0928	**1.0940**	–.0008	13,275

Index Futures

	Open	High	hi lo	Low	Settle	Chg	Open interest
Mini DJ Industrial Average (CBT)-$5 x index							
June	33385	33397		33032	**33060**	–338	94,434
Sept	33631	33661		33300	**33325**	–339	1,000
Mini S&P 500 (CME)-$50 x index							
June	4148.25	4151.50		4120.00	**4123.00**	–27.00	2,281,331
Sept	4184.25	4189.00		4158.50	**4161.25**	–27.00	28,607
Mini S&P Midcap 400 (CME)-$100 x index							
June	2457.60	2458.30		2421.00	**2422.30**	–36.00	37,607
Sept					**2441.30**	–34.10	n.a.
Mini Nasdaq 100 (CME)-$20 x index							
June	13461.00	13554.50	▲	13426.25	**13483.25**	15.25	263,166
Sept	13609.50	13705.00	▲	13580.25	**13634.50**	16.25	4,191
Mini Russell 2000 (CME)-$50 x index							
June	1766.30	1768.00		1739.70	**1740.90**	–26.60	547,845
Sept	1781.20	1782.80		1756.00	**1756.10**	–26.90	3,499
Dec	1776.00	1798.10		1772.80	**1773.30**	–24.90	93
Mini Russell 1000 (CME)-$50 x index							
June	2262.50	2268.80		2254.30	**2254.80**	–14.80	7,392
U.S. Dollar Index (ICE-US)-$1,000 x index							
June	102.28	102.54		102.04	**102.40**	.13	30,166
Sept	101.92	102.15		101.74	**102.06**	.12	1,167

Source: FactSet

Borrowing Benchmarks | wsj.com/market-data/bonds/benchmarks

Money Rates

May 16, 2023

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation

	April index level	Chg From (%) March '23	April '22
U.S. consumer price index			
All items	**303.363**	0.51	4.9
Core	**306.899**	0.47	5.5

International rates

	Latest	Week ago	—52-Week— High	Low
Prime rates				
U.S.	**8.25**	8.25	8.25	4.00
Canada	**6.70**	6.70	6.70	3.20
Japan	**1.475**	1.475	1.475	1.475
Policy Rates				
Euro zone	**3.75**	3.50	3.75	0.00
Switzerland	**2.00**	2.00	2.00	0.00
Britain	**4.50**	4.25	4.50	1.00
Australia	**3.85**	3.85	3.85	0.35
Overnight repurchase				
U.S.	**5.10**	4.85	5.10	0.71

U.S. government rates

	Latest	Week ago	—52-Week— High	Low
Discount				
	5.25	5.25	5.25	1.00
Federal funds				
Effective rate	**5.0900**	5.1000	5.1000	0.8300
High	**5.4000**	5.4000	5.4000	0.9500
Low	**5.0600**	5.0800	5.0800	0.8000
Bid	**5.0800**	5.0800	5.0800	0.8200
Offer	**5.1000**	5.1200	5.1200	0.8400
Treasury bill auction				
4 weeks	**5.605**	5.840	5.840	0.600
13 weeks	**5.060**	5.140	5.140	1.050
26 weeks	**4.980**	4.890	4.980	1.490

Secondary market

	Latest	Week ago	—52-Week— High	Low
Fannie Mae				
30-year mortgage yields				
30 days	**6.034**	5.944	6.812	4.321
60 days	**6.040**	5.944	6.988	4.390

Other short-term rates

	Latest	Week ago	—52-Week— high	low
Call money				
	7.00	7.00	7.00	2.75
Commercial paper (AA financial)				
90 days	**5.15**	n.a.	5.23	1.25

	Latest	Week ago	—52-WEEK— High	Low
Libor				
One month	**5.11129**	5.10571	5.11129	0.92729
Three month	**5.34514**	5.33914	5.34514	1.44757
Six month	**5.37914**	5.38986	5.49986	2.00514
One year	**5.27814**	5.29800	5.88071	2.67771
Secured Overnight Financing Rate				
	5.06	5.06	5.06	0.69

	Latest	Value Traded	—52-Week— High	Low
DTCC GCF Repo Index				
Treasury	**5.114**	19.320	5.128	0.700
MBS	**5.137**	41.300	5.147	0.770

Notes on data:

U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective May 4, 2023. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective May 4, 2023. **Secured Overnight Financing Rate** is as of May 15, 2023. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 5:30 p.m. ET.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

Exchange-Traded Portfolios | WSJ.com/ETFresearch

Largest 100 exchange-traded funds, latest session

Tuesday, May 16, 2023

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
CnsmrDiscSelSector	XLY	147.42	–0.41	14.1
CnsStapleSelSector	XLP	76.28	–0.84	2.3
DimenUSCoreEq2	DFAC	25.10	–1.06	3.4
EnSelSectorSPDR	XLE	76.98	–2.46	-12.0
FinSelSectorSPDR	XLF	31.86	–0.93	–6.8
HealthCareSelSect	XLV	130.86	–0.83	–3.7
InvscQQQI	QQQ	327.16	0.11	22.9
InvscS&P500EW	RSP	140.31	–1.41	–0.7
iShCoreDivGrowth	DGRO	49.28	–1.12	–1.4
iShCoreMSCIEAFE	IEFA	68.27	–0.93	10.8
iShCoreMSCIEM	IEMG	48.37	–0.68	3.6
iShCoreMSCITotInt	IXUS	62.69	–0.90	8.3
iShCoreS&P500	IVV	412.01	–0.67	7.2
iShCoreS&P MC	IJH	241.03	–1.47	–0.4
iShCoreS&P SC	IJR	91.60	–1.33	–3.2
iShCoreS&PTotUS	ITOT	90.20	–0.81	6.4
iShCoreTotalUSDBd	IUSB	45.74	–0.33	1.8
iShCoreUSAggBd	AGG	98.91	–0.23	2.0
iShESGAwareUSA	ESGU	90.21	–0.77	6.4
iShEdgeMSCIMinUSA	USMV	72.62	–1.10	0.7
iShEdgeMSCIUSAQual	QUAL	124.14	–0.82	8.9
iShGoldTr	IAU	37.72	–1.23	9.0
iShiBoxx$HYCpBd	HYG	73.88	–0.70	0.3
iShiBoxx$InvGrCpBd	LQD	107.20	–0.50	1.7
iShJPMUSDEmBd	EMB	84.51	–0.39	–0.1
iShMBS	MBB	94.09	–0.21	1.4
iShMSCIACWI	ACWI	91.59	–0.80	7.9
iShMSCI EAFE	EFA	73.00	–0.95	11.2
iSh MSCI EM	EEM	38.98	–0.71	2.8
iShMSCIEAFEValue	EFV	49.41	–1.20	7.7
iShNatlMuniBd	MUB	107.04	0.07	1.4
iSh1-5YIGCorpBd	IGSB	50.47	–0.20	1.3
iSh1-3YTreaBd	SHY	82.08	–0.12	1.1
iShRussMC	IWR	67.64	–1.57	0.3
iShRuss1000	IWB	224.95	–0.72	6.9
iShRuss1000Grw	IWF	248.72	–0.24	16.1
iShRuss1000Val	IWD	149.17	–1.25	–1.6
iShRussell2000	IWM	172.28	–1.46	–1.2
iShS&P500Grw	IVW	64.71	–0.35	10.6
iShS&P500Value	IVE	150.22	–0.98	3.6
iShSelectDiv	DVY	110.00	–1.72	–8.8
iSh7-10YTreaBd	IEF	98.93	–0.32	3.3
iShShortTreaBd	SHV	110.24	...	0.3
iShTIPSBondETF	TIP	108.97	–0.27	2.4
iSh20+YTreaBd	TLT	102.88	–0.30	3.3
iShUSTreasuryBd	GOVT	23.27	–0.19	2.4
JPMEquityPrem	JEPI	54.26	–0.82	–0.4
JPM UltShIncm	JPST	50.26	–0.02	0.3
ProShUltPrQQQ	TQQQ	29.28	0.38	69.2
SPDRBbg1-3MTB	BIL	91.58	–0.01	0.1
SPDR DJIA Tr	DIA	330.35	–1.02	–0.3
SPDR Gold	GLD	184.87	–1.25	9.0
SPDRPtfDevxUS	SPDW	32.62	–1.03	9.9
SPDRS&P500Value	SPYV	40.30	–1.01	3.6
SPDRPtfS&P500	SPLG	48.24	–0.68	7.2
SPDRS&P500Growth	SPYG	56.08	–0.32	10.7
SPDR S&P 500	SPY	410.25	–0.67	7.3
SchwabIntEquity	SCHF	35.49	–0.95	10.2
SchwabUS BrdMkt	SCHB	47.72	–0.73	6.5
SchwabUS Div	SCHD	69.18	–1.45	–8.4
SchwabUS LC	SCHX	48.38	–0.70	7.2
SchwabUS LC Grw	SCHG	66.92	–0.04	20.4
SPDR S&PMdCpTr	MDY	441.42	–1.46	–0.3
SPDR S&P Div	SDY	119.87	–1.55	–4.2
TechSelectSector	XLK	152.36	0.11	22.4
UtilitiesSelSector	XLU	66.65	–2.22	–5.5
VanEckGoldMin	GDX	33.01	–2.65	15.2
VangdInfoTech	VGT	388.54	–0.07	21.6
VangdSC Val	VBR	151.63	–1.49	–4.5
VangdExtMkt	VXF	135.15	–1.72	1.7
VangdDivApp	VIG	154.09	–0.93	1.5
VangdFTSEAWxUS	VEU	54.10	–0.95	7.9
VangdFTSEDevMk	VEA	45.97	–1.03	9.5
VangdFTSE EM	VWO	40.02	–0.69	2.7
VangdFTSE Europe	VGK	62.36	–1.05	12.5
VangdGrowth	VUG	254.26	–0.15	19.3
VangdHlthCr	VHT	241.37	–1.10	–2.7
VangdHiDiv	VYM	102.11	–1.41	–5.6
VangdIntermBd	BIV	76.42	–0.29	2.8
VangdIntrCorpBd	VCIT	79.23	–0.43	2.2
VangdIntermTrea	VGIT	60.08	–0.23	2.7
VangdLC	VV	187.20	–0.73	7.5
VangdMC	VO	203.53	–1.62	–0.1
VangdMC Val	VOE	129.60	–1.63	–4.2
VangdMBS	VMBS	46.32	–0.13	1.8
VangdRealEst	VNQ	79.84	–2.50	–3.2
VangdS&P500ETF	VOO	376.95	–0.66	7.3
VangdST Bond	BSV	76.57	–0.12	1.7
VangdSTCpBd	VCSH	76.13	–0.18	1.3
VangdShtTmInfltn	VTIP	47.75	–0.13	2.2
VangdShortTrea	VGSH	58.45	–0.12	1.1
VangdSC	VB	182.99	–1.55	–0.3
VangdTaxExemptBd	VTEB	50.30	...	1.6
VangdTotalBd	BND	73.30	–0.24	2.0
VangdTotIntlBd	BNDX	48.82	–0.16	2.9
VangdTotIntlStk	VXUS	55.83	–0.94	7.9
VangdTotalStk	VTI	203.50	–0.78	6.4
VangdTotWrldStk	VT	92.37	–0.86	7.2
VangdValue	VTV	135.63	–1.25	–3.4
WisdTrFRTrea	USFR	50.42	0.02	0.3

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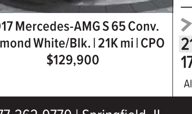

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23 911 Carrera Cabriolet *PDK*	Shark Blue/Chalk	142 mi		$164,900
22 911 GT3 *PDK*	Shark Blue/Black	2K mi	CPO	$269,900
20 911 Carrera S Coupe *Manual, Aerokit*	GT Silver/Black	4K mi	CPO	$144,900
19 911 GT3 RS *PDK, Weissach Package*	White/Black	72 mi	CPO	$319,900
18 911 Targa 4 *PDK*	Sapphire Blue/Graphite Blue	41K mi	CPO	$124,900
16 911 R *Manual*	White w/ Blue Stripes/Black	47 mi		$649,900
06 911 Carrera 4S Coupe *Manual, 1 Owner*	Black/Beige	7K mi		$89,900
06 911 Carrera S Coupe *Manual*	Guards Red/Black	29K mi		$64,900
05 911 GT3 *Manual*	Black/Black	11K mi		$155,900

> MACAN/CAYENNE/PANAMERA/TAYCAN

23 Taycan GTS Sport Turismo	Gentian Blue/Chalk & Blk.	142 mi		$169,900
22 Panamera GTS	Papaya Metallic/Black	7K mi		$144,900
22 Taycan 4S	Neptune Blue/Truffle Brown	6K mi		$134,900
21 Cayenne Turbo S	Jet Black/Truffle Brown	5K mi	CPO	$169,900
21 Taycan 4 Cross Turismo	Black/Black	6K mi		$107,900
20 Panamera 4	Volcano Grey/Luxor Beige & Black	21K mi	CPO	$82,900
20 Panamera Turbo S	Volcano Grey/Red & Black	24K mi	CPO	$142,900
20 Cayenne Turbo Coupe	Quartzite Grey/Red & Black	27K mi	CPO	$124,900

> CAYMAN/BOXSTER

21 718 Spyder *PDK, PCCBs*	Guards Red/Black	2K mi	CPO	$134,900
17 718 Boxster S *PDK*	Black/Black	14K mi	CPO	$69,900

> SPECIALTY/EXOTICS

21 Mercedes-AMG GLS 63	Diamond White/Black	33K mi	CPO	$124,400
17 Aston Martin Vanquish	China Grey/Kestrel Tan	1K mi		$199,900

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Tracking Bond Benchmarks

Return on investment and spreads over Treasurys and/or yields paid to investors compared with 52-week highs and lows for different types of bonds

Total return close	YTD total return (%)	Index	Yield (%) Latest	Low	High
Broad Market Bloomberg Fixed Income Indices					
2006.32	2.8	U.S. Aggregate	**4.440**	3.300	5.210
U.S. Corporate Indexes Bloomberg Fixed Income Indices					
2949.53	2.7	U.S. Corporate	**5.290**	4.150	6.130
2861.14	2.7	Intermediate	**5.170**	3.850	6.050
3899.06	2.7	Long term	**5.540**	4.690	6.370
573.99	2.9	Double-A-rated	**4.590**	3.610	5.320
782.55	2.8	Triple-B-rated	**5.600**	4.480	6.440
High Yield Bonds ICE BofA					
481.52	3.9	High Yield Constrained	**8.690**	7.022	9.623
448.34	6.6	Triple-C-rated	**14.674**	12.585	16.916
3241.44	4.1	High Yield 100	**8.081**	6.441	8.753
419.08	3.3	Global High Yield Constrained	**8.811**	7.184	9.945
319.71	3.5	Europe High Yield Constrained	**7.389**	5.487	8.508
U.S Agency Bloomberg Fixed Income Indices					
1736.08	2.6	U.S Agency	**4.350**	2.780	5.080
1534.75	2.5	10-20 years	**4.340**	2.710	5.100
3354.45	5.1	20-plus years	**4.510**	3.560	5.240
2618.19	3.3	Yankee	**4.930**	3.780	5.840

Total return close	YTD total return (%)	Index	Yield (%) Latest	Low	High
Mortgage-Backed Bloomberg Fixed Income Indices					
1985.72	2.5	Mortgage-Backed	**4.520**	3.300	5.380
1957.86	2.7	Ginnie Mae (GNMA)	**4.580**	3.320	5.370
1168.33	2.4	Fannie mae (FNMA)	**4.510**	3.300	5.390
1790.92	2.5	Freddie Mac (FHLMC)	**4.520**	3.300	5.370
570.01	2.4	Muni Master	**3.166**	2.419	3.936
408.30	2.6	7-12 year	**2.761**	2.325	3.794
458.21	3.5	12-22 year	**3.508**	2.991	4.428
430.38	4.4	22-plus year	**4.237**	3.674	5.131
Global Government J.P. Morgan†					
535.20	2.6	Global Government	**2.900**	1.990	3.250
781.76	2.4	Canada	**3.200**	2.720	3.780
339.70	2.0	EMU§	**3.192**	1.594	3.490
630.34	1.7	France	**3.030**	1.410	3.310
450.99	1.7	Germany	**2.420**	0.770	2.760
285.24	2.7	Japan	**0.760**	0.530	1.060
487.09	1.6	Netherlands	**2.720**	1.080	3.000
777.86	-0.6	U.K.	**4.040**	1.950	4.680
783.43	2.0	Emerging Markets **	**7.821**	6.775	9.159

*Constrained indexes limit individual issuer concentrations to 2%; the High Yield 100 are the 100 largest bonds † In local currency § Euro-zone bonds

** EMBI Global Index

Sources: ICE Data Services; Bloomberg Fixed Income Indices; J.P.Morgan

Global Government Bonds: Mapping Yields

Yields and spreads over or under U.S. Treasurys on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose(▲) or fell (▼) in the latest session

Coupon (%)	Country/ Maturity, in years	Yield (%) Latest	Previous	Month ago	Year ago	Spread Under/Over U.S. Treasurys, in basis points Latest	Prev	Year ago
3.875	**U.S.** 2	**4.072** ▲	4.004	4.103	2.568			
3.375	10	**3.548** ▲	3.506	3.521	2.877			
3.250	**Australia** 2	**3.282** ▲	3.273	2.981	2.573	**-78.6**	-73.2	**-1.7**
4.500	10	**3.418** ▼	3.436	3.331	3.386	**-12.9**	-7.1	**45.4**
0.000	**France** 2	**2.857** ▲	2.798	3.001	0.115	**-121.0**	-120.6	**-247.6**
3.000	10	**2.928** ▲	2.884	3.004	1.444	**-61.9**	-62.2	**-148.8**
2.800	**Germany** 2	**2.648** ▲	2.604	2.883	0.140	**-142.0**	-140.0	**-245.1**
2.300	10	**2.354** ▲	2.311	2.440	0.939	**-119.3**	-119.6	**-199.3**
2.500	**Italy** 2	**3.375** ▲	3.326	3.399	0.786	**-69.2**	-67.9	**-180.4**
4.400	10	**4.223** ▲	4.180	4.289	2.837	**67.6**	67.3	**-9.6**
0.005	**Japan** 2	**-0.057** ▼	-0.052	-0.040	-0.057	**-412.4**	-405.6	**-264.7**
0.500	10	**0.396** ▼	0.408	0.461	0.244	**-315.1**	-309.9	**-268.9**
0.000	**Spain** 2	**3.009** ▲	2.947	3.118	0.509	**-105.9**	-105.7	**-208.2**
3.150	10	**3.417** ▲	3.370	3.472	2.006	**-13.0**	-13.7	**-92.7**
0.625	**U.K.** 2	**3.810** ▼	3.829	3.620	1.228	**-25.7**	-17.5	**-136.3**
4.250	10	**3.815** ▼	3.818	3.664	1.732	**26.8**	31.1	**-120.1**

Source: Tullett Prebon, Tradeweb ICE U.S. Treasury Close

Corporate Debt

Prices of firms' bonds reflect factors including investors' economic, sectoral and company-specific expectations

Investment-grade spreads that tightened the most...

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Spread*, in basis points Current	One-day change	Last week
KeyCorp	KEY	4.900	8.74	Aug. 8, '32	520	–18	495
Commonwealth Bank of Australia	CBAAU	5.316	4.45	March 13, '26	70	–16	86
Bank of New York Mellon	BK	3.850	4.40	April 28, '28	88	–14	n.a.
Credit Suisse	CS	7.500	5.90	Feb. 15, '28	236	–12	258
Advance Auto Parts	AAP	5.900	4.86	March 9, '26	113	–9	n.a.
Duke University	DUKUNI	2.757	4.77	Oct. 1, '50	88	–5	98
John Deere Capital	...	4.800	4.21	Jan. 9, '26	48	–4	53
Nordea Bank	NDASS	5.375	5.19	Sept. 22, '27	171	–4	172

...And spreads that widened the most

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Spread*, in basis points Current	One-day change	Last week
KeyCorp	KEY	2.250	8.58	April 6, '27	507	25	486
Toronto–Dominion Bank	TD	3.766	5.04	June 6, '25	97	15	97
Caterpillar Financial Services	...	4.350	4.32	May 15, '26	59	13	60
ING Groep	INTNED	4.550	5.09	Oct. 2, '28	157	11	153
Australia and New Zealand Banking	ANZ	5.088	4.73	Dec. 8, '25	65	10	63
Mitsubishi UFJ Financial	MUFG	3.287	5.02	July 25, '27	150	10	n.a.
Novartis Capital	NOVNVX	4.400	4.84	May 6, '44	89	10	72
Walt Disney	DIS	4.125	5.25	Dec. 1, '41	130	9	123

High-yield issues with the biggest price increases...

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week
Rakuten Group	RAKUTN	10.250	8.47	Nov. 30, '24	102.500	1.38	98.500
Dish DBS	...	5.875	17.98	Nov. 15, '24	84.750	1.25	80.500
Bausch Health	BHCCN	11.000	18.63	Sept. 30, '28	74.750	0.75	76.240
FirstEnergy	FE	7.375	4.84	Nov. 15, '31	117.500	0.25	116.500
QVC	QVCN	4.850	13.14	April 1, '24	93.375	0.13	93.500
Ford Motor Credit	...	4.134	6.72	Aug. 4, '25	94.769	0.11	94.547
Howmet Aerospace	HWM	5.900	5.22	Feb. 1, '27	102.260	0.01	102.000

...And with the biggest price decreases

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week
United States Cellular	USM	6.700	9.33	Dec. 15, '33	82.526	–1.16	86.600
Intelsat Jackson Holdings	INTEL	6.500	8.13	March 15, '30	91.585	–0.92	n.a.
Ball	BALL	5.250	5.68	July 1, '25	99.155	–0.78	99.750
Sprint Capital	...	6.875	5.31	Nov. 15, '28	107.376	–0.78	107.808
ZF North America Capital	ZFFNGR	4.750	6.43	April 29, '25	96.970	–0.66	97.500
CSC Holdings	CSCHLD	5.250	10.08	June 1, '24	95.353	–0.65	96.500
American Airlines	AAL	11.750	6.64	July 15, '25	110.100	–0.53	110.250
Bath & Body Works	BBWI	6.875	8.45	Nov. 1, '35	88.000	–0.50	90.080

*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread.

Note: Data are for the most active issue of bonds with maturities of two years or more

Source: MarketAxess

MARKETS DIGEST

EQUITIES

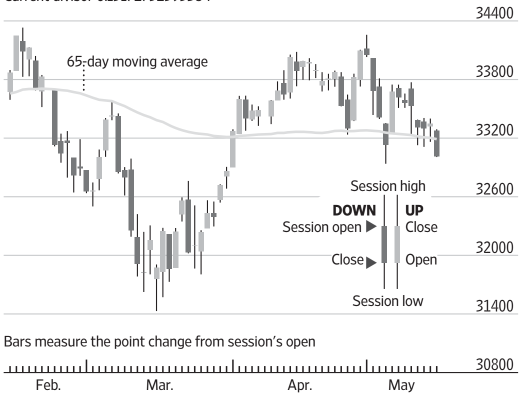
Dow Jones Industrial Average

33012.14 ▼336.46, or 1.01%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	21.97	18.57
P/E estimate *	17.60	16.93
Dividend yield	2.12	2.17
All-time high	36799.65, 01/04/22	

Current divisor 0.15172752595384

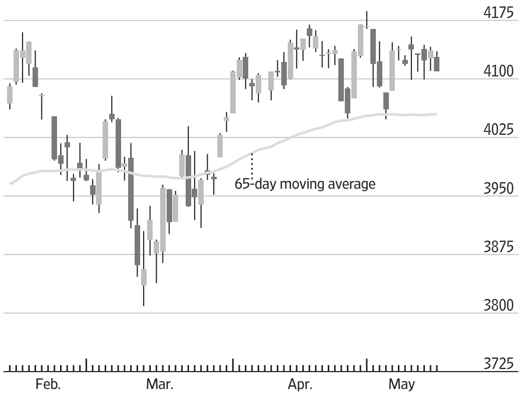


S&P 500 Index

4109.90 ▼26.38, or 0.64%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *	18.42	20.48
P/E estimate *	18.78	17.45
Dividend yield *	1.67	1.53
All-time high	4796.56, 01/03/22	

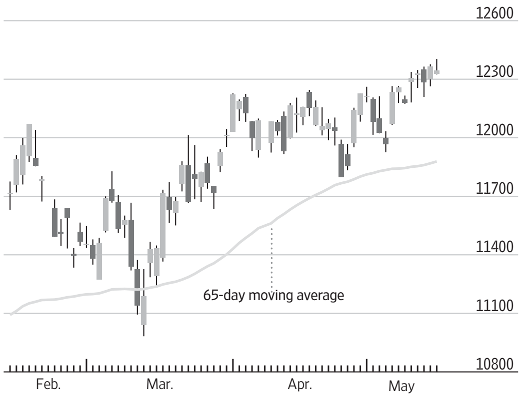


Nasdaq Composite Index

12343.05 ▼22.16, or 0.18%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *†	27.56	26.15
P/E estimate *†	26.27	22.12
Dividend yield *†	0.83	0.84
All-time high:	16057.44, 11/19/21	



* Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; † Based on Nasdaq-100 Index

Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	52-Week High	52-Week Low	% chg	% chg YTD	% chg 3-yr. ann.
Dow Jones										
Industrial Average	33290.85	33006.19	**33012.14**	-336.46	**-1.01**	34589.77	28725.51	**1.1**	-0.4	**11.7**
Transportation Avg	13803.75	13621.44	**13645.16**	-201.29	**-1.45**	15640.70	11999.40	**-7.7**	1.9	**20.7**
Utility Average	946.09	923.19	**923.49**	-22.04	**-2.33**	1061.77	838.99	**-7.8**	-4.5	**7.4**
Total Stock Market	41176.77	40911.57	**40911.85**	-322.44	**-0.78**	43441.80	36056.21	**-0.4**	6.2	**12.3**
Barron's 400	903.69	891.85	**891.86**	-11.83	**-1.31**	1023.20	825.73	**-6.6**	-3.1	**14.3**
Nasdaq Stock Market										
Nasdaq Composite	12403.81	12324.52	**12343.05**	-22.16	**-0.18**	13128.05	10213.29	**3.0**	17.9	**11.0**
Nasdaq-100	13498.44	13384.77	**13426.01**	12.50	**0.09**	13667.18	10679.34	**6.9**	22.7	**13.6**
S&P										
500 Index	4135.54	4109.86	**4109.90**	-26.38	**-0.64**	4305.20	3577.03	**0.5**	7.0	**12.8**
MidCap 400	2442.52	2416.41	**2416.44**	-35.01	**-1.43**	2726.61	2200.75	**-2.9**	-0.6	**15.3**
SmallCap 600	1126.06	1116.72	**1116.77**	-14.50	**-1.28**	1315.82	1064.45	**-8.5**	-3.5	**16.2**
Other Indexes										
Russell 2000	1755.16	1736.16	**1736.18**	-25.37	**-1.44**	2021.35	1649.84	**-5.7**	-1.4	**11.4**
NYSE Composite	15322.56	15128.62	**15129.25**	-193.30	**-1.26**	16122.58	13472.18	**-2.7**	-0.4	**11.4**
Value Line	540.53	532.28	**532.28**	-8.25	**-1.53**	606.49	491.56	**-7.8**	-0.8	**11.2**
NYSE Arca Biotech	5422.11	5295.97	**5306.86**	-115.25	**-2.13**	5644.50	4208.43	**14.8**	0.5	**-1.2**
NYSE Arca Pharma	882.81	875.36	**876.99**	-5.82	**-0.66**	892.45	737.84	**4.7**	1.1	**10.6**
KBW Bank	74.96	73.42	**73.43**	-1.08	**-1.45**	116.53	71.96	**-33.4**	-27.2	**4.6**
PHLX§ Gold/Silver	134.36	130.52	**131.13**	-3.55	**-2.64**	144.37	91.40	**3.0**	8.5	**1.2**
PHLX§ Oil Service	72.51	70.80	**70.88**	-1.94	**-2.66**	93.94	56.08	**-7.8**	-15.5	**37.1**
PHLX§ Semiconductor	3083.27	3044.03	**3048.71**	-3.93	**-0.13**	3230.86	2162.32	**-0.6**	20.4	**21.5**
Cboe Volatility	18.30	17.26	**17.99**	0.87	**5.08**	34.02	15.78	**-31.1**	-17.0	**-17.4**

§ Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of $2 and minimum after-hours volume of 50,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
Nu Holdings A	NU	7,870.2	6.14	0.04	**0.66**	6.19	6.06
SPDR S&P 500 ETF Trust	SPY	5,451.0	410.70	0.45	**0.11**	411.12	409.97
Amazon.com	AMZN	5,426.5	113.47	0.07	**0.06**	113.72	111.20
KE Holdings ADR	BEKE	5,073.3	16.85	...	**unch.**	16.86	16.62
iShares China LC ETF	FXI	3,528.0	28.74	...	**unch.**	28.78	28.65
Colgate-Palmolive	CL	3,247.4	80.77	...	**unch.**	81.10	80.77
PepsiCo	PEP	3,246.3	193.43	...	**unch.**	194.27	193.23
iShares iBoxx $ HY Cp Bd	HYG	3,123.9	73.93	0.05	**0.07**	73.97	73.88

Percentage gainers...

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
Keysight Technologies	KEYS	140.7	158.00	11.48	**7.84**	158.56	140.00
Western Alliance Bancorp	WAL	673.1	33.96	2.37	**7.50**	36.02	31.43
Extreme Networks	EXTR	76.9	17.79	1.01	**6.02**	18.00	16.78
PacWest Bancorp	PACW	1,304.9	4.84	0.27	**5.91**	4.93	4.57
Ribbon Communications	RBBN	79.9	2.80	0.14	**5.26**	2.80	2.66

...And losers

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
EVgo Cl A	EVGO	425.9	4.93	-0.80	**-13.96**	5.89	4.85
Container Store Group	TCS	223.6	2.38	-0.33	**-12.18**	2.71	2.15
Doximity	DOCS	461.8	31.11	-2.76	**-8.15**	34.58	30.19
Applied Digital	APLD	1,689.4	5.68	-0.43	**-7.04**	6.15	5.10
Kyndryl Holdings	KD	116.0	13.45	-0.93	**-6.47**	15.50	13.37

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	806,142,461	8,685,071
Adv. volume*	119,767,156	1,640,482
Decl. volume*	678,542,442	7,014,241
Issues traded	3,085	315
Advances	610	100
Declines	2,387	198
Unchanged	88	17
New highs	36	1
New lows	107	21
Closing Arms†	1.21	2.27
Block trades*	4,142	104

	Nasdaq	NYSE Arca
Total volume*	4,067,510,682	234,364,854
Adv. volume*	1,517,483,846	25,547,861
Decl. volume*	2,465,149,126	208,261,435
Issues traded	4,633	1,744
Advances	1,359	180
Declines	3,099	1,556
Unchanged	175	8
New highs	69	23
New lows	199	21
Closing Arms†	0.71	0.76
Block trades*	21,540	1,045

* Primary market NYSE, NYSE American NYSE Arca only.
† (TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Region/Country	Index	Close	Latest Net chg	Latest % chg	YTD % chg
World	**MSCI ACWI**	**648.23**	–3.40	**–0.52**	7.1
	MSCI ACWI ex-USA	**301.26**	–0.76	**–0.25**	7.1
	MSCI World	**2802.39**	–17.08	**–0.61**	7.7
	MSCI Emerging Markets	**979.24**	1.76	**0.18**	2.4
Americas	**MSCI AC Americas**	**1559.37**	–11.338	**–0.72**	7.0
Canada	**S&P/TSX Comp**	**20242.07**	–297.90	**–1.45**	4.4
Latin Amer.	**MSCI EM Latin America**	**2318.87**	–10.793	**–0.46**	9.0
Brazil	**BOVESPA**	**108193.68**	–835.44	**–0.77**	–1.4
Chile	**S&P IPSA**	**3249.50**	12.43	**0.38**	2.4
Mexico	**S&P/BMV IPC**	**55180.97**	–80.45	**–0.15**	13.9
EMEA	**STOXX Europe 600**	**464.70**	–1.97	**–0.42**	9.4
Eurozone	**Euro STOXX**	**456.81**	–0.88	**–0.19**	11.4
Belgium	**Bel-20**	**3688.89**	–61.19	**–1.63**	–0.3
Denmark	**OMX Copenhagen 20**	**2109.01**	–21.71	**–1.02**	14.9
France	**CAC 40**	**7406.01**	–12.20	**–0.16**	14.4
Germany	**DAX**	**15897.93**	–19.31	**–0.12**	14.2
Israel	**Tel Aviv**	**1795.74**	–4.90	**–0.27**	–0.1
Italy	**FTSE MIB**	**27198.87**	–46.59	**–0.17**	14.7
Netherlands	**AEX**	**756.22**	0.04	**0.005**	9.8
Norway	**Oslo Bors All-Share**	**1376.98**	–6.59	**–0.48**	1.0
South Africa	**FTSE/JSE All-Share**	**77973.02**	–288.63	**–0.37**	6.7
Spain	**IBEX 35**	**9191.40**	–10.10	**–0.11**	11.7
Sweden	**OMX Stockholm**	**841.02**	–8.32	**–0.98**	7.6
Switzerland	**Swiss Market**	**11519.87**	–58.38	**–0.50**	7.4
Turkey	**BIST 100**	**4589.71**	88.50	**1.97**	–16.7
U.K.	**FTSE 100**	**7751.08**	–26.62	**–0.34**	4.0
U.K.	**FTSE 250**	**19272.72**	13.97	**0.07**	2.2
Asia-Pacific	**MSCI AC Asia Pacific**	**161.89**	0.13	**0.08**	4.0
Australia	**S&P/ASX 200**	**7234.70**	–32.42	**–0.45**	2.8
China	**Shanghai Composite**	**3290.99**	–19.75	**–0.60**	6.5
Hong Kong	**Hang Seng**	**19978.25**	7.12	**0.04**	1.0
India	**S&P BSE Sensex**	**61932.47**	–413.25	**–0.66**	1.8
Japan	**NIKKEI 225**	**29842.99**	216.65	**0.73**	14.4
Singapore	**Straits Times**	**3214.04**	–0.69	**–0.02**	–1.1
South Korea	**KOSPI**	**2480.24**	0.89	**0.04**	10.9
Taiwan	**TAIEX**	**15673.90**	198.85	**1.28**	10.9
Thailand	**SET**	**1539.84**	–1.54	**–0.10**	–7.7

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Exela Technologies	XELA	6.28	3.20	**103.90**	1359.60	2.62	**-99.5**
Applied Digital	APLD	6.11	2.70	**78.92**	6.25	0.85	**144.4**
GD Culture Group	GDC	6.33	1.99	**45.85**	44.00	1.80	**-69.0**
Cyclerion Therapeutics	CYCN	5.38	1.56	**40.69**	25.00	3.64	**-52.8**
AN2 Therapeutics	ANTX	7.41	1.96	**35.96**	22.49	4.87	**-41.8**
United Insurance	UIHC	5.30	1.21	**29.58**	5.46	0.29	**211.8**
Atlas Lithium	ATLX	23.74	4.75	**25.01**	45.00	1.55	**427.6**
Oramed Pharmaceuticals	ORMP	3.89	0.76	**24.28**	13.73	1.81	**-24.3**
Phio Pharmaceuticals	PHIO	4.09	0.72	**21.36**	12.27	3.11	**-48.2**
Navitas Semiconductor	NVTS	7.99	1.35	**20.33**	8.35	3.11	**14.0**
ADS-TEC Energy	ADSE	4.10	0.69	**20.23**	8.71	1.91	**-28.7**
Exagen	XGN	3.48	0.57	**19.51**	8.96	2.04	**-26.7**
Bellerophon Therapeutics	BLPH	10.39	1.68	**19.29**	12.58	0.67	**977.8**
Direct Digital	DRCT	3.81	0.51	**15.45**	6.53	1.16	**114.0**
Nanobiotix ADR	NBTX	5.39	0.70	**14.93**	7.76	1.75	**-1.3**

Percentage Losers

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Ohmyhome	OMH	6.35	-24.53	**-79.44**	57.00	3.80	**...**
Mallinckrodt	MNK	1.89	-0.87	**-31.52**	31.00	0.10	**...**
VOXX International	VOXX	8.67	-3.33	**-27.75**	14.75	5.85	**27.9**
CVD Equipment	CVV	7.75	-2.79	**-26.47**	15.82	3.68	**80.2**
Eloxx Pharmaceuticals	ELOX	8.32	-2.58	**-23.67**	19.20	1.70	**-32.4**
Eastside Distilling	EAST	3.86	-0.98	**-20.25**	19.20	3.39	**-73.5**
Predictive Oncology	POAI	2.74	-0.68	**-19.88**	13.88	2.47	**-63.7**
GSI Technology	GSIT	4.33	-1.01	**-18.91**	7.30	1.45	**42.9**
Ambipar Emergency Resp	AMBI	5.71	-1.29	**-18.43**	50.50	5.26	**-42.6**
Sea ADR	SE	72.45	-15.62	**-17.74**	93.70	40.67	**-9.7**
Lipocine	LPCN	3.53	-0.76	**-17.72**	16.32	3.35	**-77.4**
Calliditas Therap ADR	CALT	21.17	-4.33	**-16.98**	25.64	10.82	**39.3**
Biophytis ADR	BPTS	2.29	-0.42	**-15.34**	15.40	2.26	**-84.0**
Ducommun	DCO	41.17	-7.25	**-14.97**	58.28	38.89	**-10.1**
PacWest Bancorp	PACW	4.57	-0.78	**-14.58**	32.68	2.48	**-85.4**

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Nu Holdings A	NU	**99,660**	319.0	6.10	**0.16**	6.92	3.26
ProSh UltraPro Shrt QQQ	SQQQ	**99,152**	-25.7	27.81	**-0.32**	69.55	27.37
Tesla	TSLA	**95,829**	-32.7	166.52	**0.10**	314.67	101.81
Advanced Micro Devices	AMD	**90,458**	46.1	101.48	**4.19**	109.57	54.57
Troika Media Group	TRKA	**84,746**	-2.2	0.24	**23.36**	1.27	0.10
Faraday Future	FFIE	**80,314**	32.1	0.25	**-8.59**	7.85	0.15
ProShares UltraPro QQQ	TQQQ	**79,111**	-47.6	29.28	**0.38**	39.38	16.10
Applied Digital	APLD	**78,899**	10359.1	6.11	**78.92**	6.25	0.85
Amazon.com	AMZN	**67,963**	13.9	113.40	**1.98**	146.57	81.43
Ford Motor	F	**59,909**	-9.3	11.25	**-3.35**	16.68	10.61

* Volumes of 100,000 shares or more are rounded to the nearest thousand

Volume Movers

Ranked by change from 65-day average*

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Coya Therapeutics	COYA	3,957	**13773**	5.83	**10.00**	8.00	3.69
CF Acqn VII Cl A	CFFS	3,364	**6814**	10.40	**0.14**	10.80	9.86
Portage Fintech Acqn A	PFTA	1,372	**4610**	10.29	**-0.19**	10.65	9.64
ProShares Short SC600	SBB	868	**2462**	19.24	**1.00**	20.57	16.34
Ohmyhome	OMH	12,329	**2196**	6.35	**-79.44**	57.00	3.80
Ducommun	DCO	1,202	**2172**	41.17	**-14.97**	58.28	38.89
Graf Acquisition IV	GFOR	830	**2149**	10.21	**0.05**	10.86	9.68
Spree Acqn 1 Cl A	SHAP	1,284	**1991**	10.50	**0.10**	11.23	9.92
Armada Acquisition I	AACI	101	**1688**	10.25	**0.49**	12.20	8.56
L Catterton Asia Cl A	LCAA	6,611	**1599**	10.33	**0.44**	10.40	9.77

* Common stocks priced at $2 a share or more with an average volume over 65 trading days of at least 5,000 shares †Has traded fewer than 65 days

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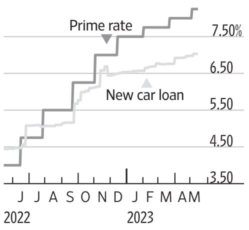
CREDIT MARKETS

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

New car loan

Bankrate.com avg†:	**7.03%**
Colonial Savings, FA	**5.49%**
Garland, TX	972-495-4032
First Command Bank	**5.74%**
Fort Worth, TX	888-763-7600
First Savings Bank of Hegewisch	**5.75%**
Chicago, IL	773-646-4200
Firstrust Bank	**5.99%**
Philadelphia, PA	800-220-2265
Frost Bank	**5.99%**
Houston, TX	800-513-7678

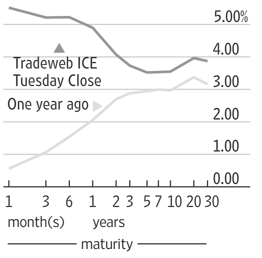
Interest rate	Yield/Rate (%) Last	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	**5.00-5.25**	5.00-5.25	0.75	5.25	**5.00**
Prime rate*	**8.25**	8.25	4.00	8.25	**5.00**
Libor, 3-month	**5.35**	5.34	1.45	5.35	**4.96**
Money market, annual yield	**0.53**	0.52	0.08	0.53	**0.23**
Five-year CD, annual yield	**2.81**	2.81	0.94	2.81	**1.98**
30-year mortgage, fixed†	**7.04**	6.96	5.26	7.41	**3.48**
15-year mortgage, fixed†	**6.33**	6.26	4.60	6.53	**3.36**
Jumbo mortgages, $726,200-plus†	**7.12**	7.07	5.19	7.44	**3.48**
Five-year adj mortgage (ARM)†	**5.73**	5.74	3.79	5.82	**2.50**
New-car loan, 48-month	**7.03**	7.03	4.44	7.03	**2.76**

Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

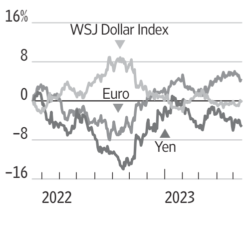
Treasury yield curve

Yield to maturity of current bills, notes and bonds



Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Sources: Tradeweb ICE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Corporate Borrowing Rates and Yields

Bond total return index	Close	Yield (%) Last	Week ago	52-Week High	Low	Total Return (%) 52-wk	3-yr
U.S. Treasury, Bloomberg	2154.070	**3.830**	3.810	4.560	2.700	**–1.357**	–4.419
U.S. Treasury Long, Bloomberg	3280.200	**3.930**	3.910	4.570	3.060	**–7.502**	–12.450
Aggregate, Bloomberg	2006.320	**4.440**	4.420	5.210	3.300	**–1.154**	–3.352
Fixed-Rate MBS, Bloomberg	1985.720	**4.520**	4.530	5.380	3.300	**–2.040**	–3.537
High Yield 100, ICE BofA	3241.442	**8.081**	8.027	8.753	6.441	**3.797**	4.194
Muni Master, ICE BofA	570.007	**3.166**	3.118	3.936	2.419	**4.590**	–0.083
EMBI Global, J.P. Morgan	783.430	**7.821**	7.736	9.159	6.775	**1.355**	–1.233

Sources: J.P. Morgan; Bloomberg Fixed Income Indices; ICE Data Services

CURRENCIES & COMMODITIES

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Tues in US$	Tues per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0043	231.1028	**30.8**
Brazil real	.2024	4.9404	**–6.5**
Canada dollar	.7419	1.3480	**–0.5**
Chile peso	.001251	799.13	**–5.8**
Colombia peso	.000220	4536.00	**–6.45**
Ecuador US dollar	1	1	**unch**
Mexico peso	.0571	17.5021	**–10.2**
Uruguay peso	.02566	38.9700	**–2.5**
Asia-Pacific			
Australia dollar	.6655	1.5026	**2.4**
China yuan	.1433	6.9772	**1.1**
Hong Kong dollar	.1276	7.8383	**0.4**
India rupee	.01215	82.294	**–0.6**
Indonesia rupiah	.0000672	14877	**–4.4**
Japan yen	.007333	136.38	**4.0**
Kazakhstan tenge	.002220	450.36	**–2.7**
Macau pataca	.1237	8.0824	**0.4**
Malaysia ringgit	.2224	4.4965	**2.1**
New Zealand dollar	.6231	1.6049	**1.9**
Pakistan rupee	.00351	284.900	**25.7**
Philippines peso	.0178	56.197	**0.9**
Singapore dollar	.7460	1.3404	**–0.04**
South Korea won	.0007447	1342.77	**6.4**
Sri Lanka rupee	.0032288	309.71	**–15.7**
Taiwan dollar	.03241	30.851	**0.7**
Thailand baht	.02933	34.100	**–1.5**
Vietnam dong	.00004264	23451	**–0.8**
Europe			
Czech Rep. koruna	.04591	21.783	**–3.5**
Denmark krone	.1459	6.8539	**–1.3**
Euro area euro	1.0866	.9203	**–1.5**
Hungary forint	.002946	339.45	**–9.1**
Iceland krona	.007190	139.09	**–1.7**
Norway krone	.0933	10.7190	**9.3**
Poland zloty	.2421	4.1299	**–5.7**
Russia ruble	.01238	80.744	**9.5**
Sweden krona	.0961	10.4099	**–0.3**
Switzerland franc	1.1156	.8964	**–3.1**
Turkey lira	.0507	19.7252	**5.5**
Ukraine hryvnia	.0271	36.9500	**0.3**
UK pound	1.2486	.8009	**–3.1**
Middle East/Africa			
Bahrain dinar	2.6529	.3770	**–0.03**
Egypt pound	.0324	30.9002	**24.8**
Israel shekel	.2737	3.6539	**3.6**
Kuwait dinar	3.2570	.3070	**0.3**
Oman sul rial	2.5974	.3850	**unch**
Qatar rial	.2743	3.646	**–0.6**
Saudi Arabia riyal	.2667	3.7500	**–0.2**
South Africa rand	.0524	19.0781	**12.1**

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	96.59	0.23	0.24	**0.03**

Sources: Tullett Prebon, Dow Jones Market Data

Commodities

	Close	Tuesday Net chg	Tuesday % Chg	52-Week High	52-Week Low	52-Week % Chg	YTD % chg
DJ Commodity	**961.30**	-10.91	**-1.12**	1251.61	956.11	**-20.72**	-8.33
Refinitiv/CC CRB Index	**259.89**	-1.76	**-0.67**	329.59	254.03	**-17.60**	-6.43
Crude oil, $ per barrel	**70.86**	-0.25	**-0.35**	122.11	66.74	**-36.96**	-11.71
Natural gas, $/MMBtu	**2.376**	0.001	**0.04**	9.680	1.991	**-71.39**	-46.91
Gold, $ per troy oz.	**1988.40**	-29.60	**-1.47**	2048.00	1623.30	**9.36**	9.27

BIGGEST 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq BX (formerly Boston), Chicago Stock Exchange, Cboe, NYSE National and Nasdaq ISE.
The list comprises the 1,000 largest companies based on market capitalization.
Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume.
Boldfaced quotations highlight those issues whose price changed by 5% or more if their previous closing price was $2 or higher.

Footnotes:
▲-New 52-week high.
▼-New 52-week low.
dd-Indicates loss in the most recent four quarters.
FD-First day of trading.
h-Does not meet continued listing standards
lf-Late filing
q-Temporary exemption from Nasdaq requirements.
t-NYSE bankruptcy
v-Trading halted on primary market.
vj-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Tuesday, May 16, 2023

Stock	Sym	Close	Net Chg
A B C			
ABB	ABB	36.64	-0.41
AECOM	ACM	78.50	-0.95
AES	**AES**	**20.85**	**-1.14**
Aflac	AFL	65.16	-0.51
AGCO	AGCO	119.79	-3.77
AMC Ent	AMC	4.96	-0.18
Ansys	ANSS	299.15	0.19
APA	APA	31.63	-1.31
ASE Tech	ASX	6.99	...
ASML	ASML	652.05	-3.64
AT&T	T	16.53	-0.42
AbbottLabs	ABT	109.39	-0.45
AbbVie	ABBV	143.29	-3.30
AcadiaHealthcare	ACHC	70.78	-1.02
Accenture	ACN	279.19	1.68
ActivisionBliz	ATVI	77.78	-0.55
Adobe	ADBE	345.11	-0.56
AdvanceAuto	AAP	117.34	-4.61
AdvDrainageSys	WMS	85.82	-1.80
AdvMicroDevices	AMD	101.48	4.08
Aegon	AEG	4.41	-0.09
AerCap	AER	57.13	-0.77
AgilentTechs	A	126.29	-1.70
agilon health	AGL	23.01	-0.80
AgnicoEagleMines	AEM	55.87	-1.46
AirProducts	APD	275.59	-3.70
Airbnb	ABNB	105.41	-0.37
AkamaiTech	AKAM	86.87	0.95
Albemarle	ALB	205.67	1.92
Albertsons	ACI	20.30	0.10
Alcoa	AA	36.10	-0.89
Alcon	ALC	80.58	0.94
AlexandriaRlEst	ARE	117.50	-3.31
Alibaba	BABA	88.76	0.42
AlignTech	ALGN	292.30	-4.98
Allegion	ALLE	106.50	-2.88
AllegroMicro	ALGM	38.14	0.21
AlliantEnergy	LNT	53.27	-0.73
Allstate	ALL	116.81	-1.12
AllyFinancial	ALLY	25.07	-0.49
AlnylamPharm	**ALNY**	**190.97**	**-15.23**
Alphabet C	GOOG	120.09	3.13
Alphabet A	GOOGL	119.51	3.00
Altria	MO	45.09	-0.47
Amazon.com	AMZN	113.40	2.20
Ambev	ABEV	2.94	-0.02
Amcor	AMCR	10.22	-0.14
Amdocs	DOX	93.79	2.78
Ameren	AEE	83.52	-1.54
▲ AmericaMovil	AMX	22.96	0.15
AmerAirlines	AAL	14.20	-0.08
AEP	AEP	88.09	-2.00
AmerExpress	AXP	148.41	-1.59
AmericanFin	AFG	115.83	-1.70
AmHomes4Rent	AMH	33.85	-1.05
AIG	AIG	52.31	-0.23
AmerTowerREIT	AMT	191.04	-4.42
AmerWaterWorks	AWK	144.70	-2.86
AmericoldRealty	COLD	29.08	-0.85
Ameriprise	AMP	294.42	-4.45
▲ AmerisourceBrgn	ABC	174.60	1.26
Ametek	AME	144.56	-1.78
Amgen	AMGN	227.88	-5.65
Amphenol	APH	74.75	-0.99
AnalogDevices	ADI	182.79	-1.58
AngloGoldAsh	AU	24.99	-0.58
AB InBev	BUD	59.69	-1.37
AnnalyCap	NLY	18.65	-0.18
AnteroResources	AR	22.02	-0.50
Aon	AON	330.94	-3.50
ApellisPharm	APLS	87.68	-0.43
ApolloGlbMgmt	APO	62.04	-1.14
Apple	AAPL	172.07	...
ApplMaterials	AMAT	120.92	-0.19
Applovin	APP	22.88	0.25
Aptargroup	ATR	118.32	-2.26
Aptiv	APTV	90.90	-2.03
Aramark	ARMK	37.84	0.16
ArcelorMittal	MT	25.75	-0.90
ArchCapital	ACGL	74.52	-0.58
ADM	ADM	73.15	-2.46
AresMgmt	ARES	81.41	-1.86
▲ arGEN-X	ARGX	405.60	-0.53
AristaNetworks	ANET	136.14	-1.84
ArrowElec	ARW	119.15	-0.38
AspenTech	AZPN	167.55	0.74
Assurant	AIZ	129.47	-1.19
AstraZeneca	AZN	75.28	0.29
Atlassian	TEAM	139.22	-6.14
AtmosEnergy	ATO	115.99	-1.60
Autodesk	ADSK	193.25	-3.66
Autoliv	ALV	84.92	-2.22
ADP	ADP	212.34	-2.05
AutoZone	AZO	2673.46	-33.07
Avalonbay	AVB	175.28	-3.38
Avangrid	AGR	38.66	-1.29
Avantor	AVTR	19.98	-0.39
AveryDennison	AVY	168.19	-5.10
AvisBudget	CAR	157.79	-5.12
AxaltaCoating	AXTA	30.05	-0.56
AxonEnterprise	AXON	201.21	-2.26
BCE	BCE	47.12	-0.36
BHP Group	BHP	58.13	-1.35
BILL	BILL	94.20	-3.49
BJ'sWholesale	BJ	70.94	0.02
BP	BP	35.54	-0.65
Baidu	BIDU	132.68	5.07
BakerHughes	BKR	27.44	-0.45
Ball	BALL	55.75	-0.82
BancoBilbaoViz	BBVA	6.78	-0.12
BancoBradesco	**BBDO**	**2.60**	**-0.15**
BancodeChile	BCH	21.87	-0.72
BancSanBrasil	BSBR	6.02	-0.12
BcoSantChile	BSAC	19.18	-0.67
BancoSantander	SAN	3.37	-0.03
BanColombia	CIB	24.10	-0.79
BankofAmerica	BAC	27.36	-0.29
BankofMontreal	BMO	87.71	-1.36
BankNY Mellon	BK	39.67	-1.03
BankNovaScotia	BNS	49.10	-0.74
Barclays	BCS	7.65	-0.18
BarrickGold	GOLD	18.76	-0.59
Bath&BodyWks	BBWI	32.60	-1.02
Bausch+Lomb	BLCO	18.83	0.23
BaxterIntl	BAX	43.01	0.19
BectonDicknsn	BDX	250.37	-0.71
BeiGene	BGNE	238.90	-1.35
BentleySystems	BSY	45.48	-0.35
Berkley	WRB	58.26	-0.76
BerkHathwy A	BRK.A	498620	2720.00
BerkHathwy B	BRK.B	323.75	0.22
BerryGlobal	BERY	57.74	-1.13
BestBuy	BBY	70.74	-1.96
Bilibili	BILI	19.01	-0.57
Bio-Techne	TECH	81.94	0.86
Bio-RadLab A	BIO	384.67	2.92
Biogen	BIIB	307.61	-4.26
BioMarinPharm	BMRN	92.02	-3.16
BioNTech	BNTX	105.60	-2.30
BlackKnight	BKI	54.45	0.79
BlackRock	BLK	633.83	-10.92
Blackstone	BX	80.40	-2.73
Block	SQ	55.54	-1.33
BlueOwlCapital	OWL	9.98	-0.25
Boeing	BA	200.87	-1.90
Booking	BKNG	2646.32	0.25
BoozAllen	BAH	91.70	-1.12
BorgWarner	BWA	43.61	-0.93
BostonProps	BXP	47.06	-2.05
▲ BostonSci	BSX	53.77	0.09
BoydGaming	BYD	66.01	-2.38
BristolMyers	BMY	67.02	-1.15
BritishAmTob	BTI	33.62	-0.28
Broadcom	AVGO	641.44	1.64
BroadridgeFinl	BR	152.52	-1.92
BrookfieldAsset	BAM	31.23	-0.45
Brookfield	BN	30.24	-0.33
BrookfieldInfr	BIP	36.50	-0.31
BrookfieldRenew	BEPC	35.30	-0.48
Brown&Brown	BRO	65.71	-0.16
Brown-Forman A	BF.A	63.68	-1.54
Brown-Forman B	BF.B	63.01	-1.25
Bruker	BRKR	73.49	1.08
▲ BuildersFirst	BLDR	119.20	1.04
Bunge	BG	89.11	-2.88
BurlingtonStrs	BURL	171.08	-4.80
CACI Intl	CACI	302.28	-3.94
CBRE Group	CBRE	73.57	-0.59
CDW	CDW	170.03	-1.38
CF Industries	CF	64.93	-2.36
▲ CGI A	GIB	104.00	0.52
CH Robinson	CHRW	97.97	-2.05
CME Group	CME	181.59	-2.78
CMS Energy	CMS	59.36	-1.38
CNA Fin	CNA	39.32	-0.42
CNH Indl	CNHI	13.62	-0.40
CRH	CRH	49.13	-0.38
CSX	CSX	31.68	-0.33
▼ CVS Health	CVS	67.10	-1.75
CadenceDesign	CDNS	202.46	0.15
CAE	CAE	21.63	-0.19
CaesarsEnt	**CZR**	**41.38**	**-3.06**
CamdenProperty	CPT	106.10	-2.74
Cameco	CCJ	27.05	-0.52
CampbellSoup	CPB	53.02	-0.31
CIBC	CM	41.60	-0.80
CanNtlRlwy	CNI	119.90	-1.54
CanadianNatRscs	CNQ	55.14	-1.45
▲ CdnPacKC	CP	82.81	-0.12
CapitalOne	COF	90.95	1.83
▲ CardinalHealth	CAH	85.80	0.48
Carlisle	CSL	205.75	-6.95
Carlyle	CG	26.30	-0.48
CarMax	KMX	69.06	-2.64
Carnival	CCL	10.36	0.05
Carnival	CUK	9.23	0.05
CarrierGlobal	CARR	42.15	-0.66
CaseysGenStores	CASY	226.86	-6.07
Caterpillar	CAT	207.20	-4.09
Celanese	CE	102.82	-2.40
CelsiusHldg	CELH	132.26	0.70
Cemex	CX	6.61	0.03
CenovusEnergy	CVE	15.89	-0.34
Centene	CNC	65.45	-1.76
CenterPointEner	CNP	28.94	-0.57
CentraisElBras	EBR	7.12	-0.15
CeridianHCM	CDAY	58.49	-1.21
CharlesRiverLabs	CRL	188.18	-4.18
CharterComms	CHTR	335.34	-7.90
CheckPoint	CHKP	119.99	-0.08
Chemed	CHE	544.03	-1.71
CheniereEnergy	LNG	142.87	-6.93
CheniereEnerPtrs	CQP	47.65	0.21
ChesapeakeEner	CHK	79.98	-2.03
Chevron	CVX	153.51	-3.69
ChewyA	CHWY	33.61	-1.04
Chipotle	CMG	2050.22	3.10
Chubb	CB	199.60	-0.45
ChunghwaTel	CHT	40.73	0.09
Church&Dwight	CHD	95.67	-0.45
ChurchillDowns	CHDN	286.72	-5.08
Ciena	CIEN	43.40	-1.02
Cigna	CI	255.48	-2.52
CincinnatiFin	CINF	101.82	-2.19
Cintas	CTAS	465.96	-3.10
CiscoSystems	CSCO	46.92	-0.18
Citigroup	C	45.28	-0.77
CitizensFin	CFG	25.05	-0.72
CleanHarbors	CLH	140.60	1.07
ClearwayEnergyC	CWEN	31.18	-0.43
ClearwayEnergyA	CWEN.A	29.89	-0.51
Cleveland-Cliffs	CLF	14.64	-0.31
Clorox	CLX	169.01	1.96
Cloudflare	NET	51.21	...
Coca-Cola	KO	63.22	-0.72
▲ Coca-ColaEuro	CCEP	66.69	0.57
Cognex	CGNX	50.60	-0.58
CognizantTech	CTSH	61.98	-0.78
CoinbaseGlbl	COIN	57.88	-2.89
ColgatePalm	CL	80.77	-0.31
Comcast A	CMCSA	39.74	-0.46
SABESP	SBS	10.38	-0.42
EngGr-Cmg	CIG	2.41	-0.08
EngGr-Cmg C	CIG.C	3.97	-0.19
ConagraBrands	CAG	36.44	-0.10
Confluent	CFLT	24.35	0.32
ConocoPhillips	COP	98.07	-2.22
ConEd	ED	96.50	-1.17
ConstBrands A	STZ	226.69	-3.64
ConstellationEner	CEG	79.00	-1.27
Cooper	COO	387.71	-1.64
Copart	CPRT	81.20	-0.42
CorebridgeFin	CRBG	16.55	-0.09
Corning	GLW	30.63	-0.57
Corteva	CTVA	56.97	-0.93
CoStar	CSGP	75.87	-0.11
Costco	COST	496.15	-5.89
CoterraEnergy	CTRA	24.78	-0.78
Coty	COTY	11.19	-0.15
Coupang	CPNG	15.84	-0.70
Credicorp	BAP	134.79	-2.34
Crocs	CROX	113.45	-4.94
CrowdStrike	CRWD	134.01	-1.54
▼ CrownCastle	CCI	111.45	-2.45
CrownHoldings	CCK	80.46	-2.37
CubeSmart	CUBE	45.26	-0.58
Cullen/Frost	CFR	96.25	-3.38
Cummins	CMI	212.63	-6.12
Curtiss-Wright	CW	163.36	-1.39
D E F			
DCP Midstream	DCP	41.46	-0.02
DTE Energy	DTE	110.26	-2.49
▼ Danaher	DHR	224.99	-1.95
Darden	DRI	153.16	1.27
DarlingIngred	DAR	61.15	-1.73
Datadog	DDOG	88.07	-0.43
DaVita	DVA	98.52	1.66
DeckersOutdoor	DECK	473.33	-18.19
Deere	DE	362.68	-7.53
DellTechC	DELL	45.38	0.45
DeltaAir	DAL	33.82	0.10
DentsplySirona	XRAY	40.42	-0.52
DescartesSystems	DSGX	77.63	0.01
DeutscheBank	DB	10.40	-0.23
DevonEnergy	DVN	46.13	-1.58
DexCom	DXCM	118.61	-1.00
Diageo	DEO	178.85	-0.28
DiamondbkEner	FANG	124.86	-4.10
Dick's	DKS	131.42	-6.64
DigitalRealty	DLR	93.60	-4.78
DiscoverFinSvcs	DFS	96.31	-0.73
Disney	DIS	90.98	-1.88
DocuSign	DOCU	50.26	-0.84
DolbyLab	DLB	83.40	-0.92
DollarGeneral	DG	214.94	-3.10
DollarTree	DLTR	158.82	-0.33
DominionEner	D	52.84	-1.93
Domino's	DPZ	301.85	-6.00
Donaldson	DCI	62.94	-0.64
DoorDash	DASH	64.18	-2.02
Dover	DOV	137.52	-2.05
Dow	DOW	51.06	-1.20
Doximity	DOCS	33.87	-0.27
DrReddy'sLab	RDY	55.15	-0.15
DraftKings	DKNG	22.92	-0.57
Dropbox	DBX	22.07	-0.54
DukeEnergy	DUK	94.01	-2.32
DuPont	DD	65.00	-0.62
Dynatrace	DT	46.81	0.22
EMCOR	EME	164.28	-1.32
ENI	E	28.60	-0.37
EOG Rscs	EOG	107.63	-3.71
EPAM Systems	EPAM	230.58	-6.12
EQT	EQT	34.81	-0.33
EastWestBncp	EWBC	46.32	-0.59
EastGroup	EGP	161.97	-4.29
EastmanChem	EMN	78.81	-1.35
Eaton	ETN	166.41	-3.51
eBay	EBAY	43.03	-2.10
Ecolab	ECL	172.56	-1.19
Ecopetrol	EC	9.16	-0.07
EdisonIntl	EIX	70.30	-1.94
EdwardsLife	EW	88.66	-0.26
ElbitSystems	ESLT	196.99	2.99
ElectronicArts	EA	125.12	0.28
ElevanceHealth	ELV	445.88	-6.67
EmersonElec	EMR	81.15	-1.97
Enbridge	ENB	37.13	-1.51
Endeavor	EDR	23.81	-0.39
EnergyTransfer	ET	12.46	-0.05
EnphaseEnergy	ENPH	160.96	-7.75
Entegris	ENTG	91.61	-0.02
Entergy	ETR	103.00	-2.44
EnterpriseProd	EPD	25.90	-0.04
Equifax	EFX	203.13	-2.44
Equinix	EQIX	716.29	-23.97
Equinor	EQNR	27.54	-0.78
Equitable	EQH	23.45	-0.50
EquityLife	ELS	66.39	-2.15
EquityResdntl	EQR	61.13	-1.33
ErieIndemnity A	ERIE	231.11	-0.29
EssentialUtil	WTRG	41.13	-0.88
EssexProp	ESS	209.14	-4.91
EsteeLauder	EL	194.95	-6.24
Etsy	**ETSY**	**92.65**	**-5.20**
EverestRe	RE	378.40	-4.85
Evergy	EVRG	60.31	-1.40
EversourceEner	ES	74.52	-2.32
ExactSciences	EXAS	79.94	-0.99
Exelixis	EXEL	19.13	-0.37
Exelon	EXC	39.37	-1.39
Expedia	EXPE	92.71	0.48
ExpeditorsIntl	EXPD	111.32	-1.37
ExtraSpaceSt	EXR	149.12	-3.10
ExxonMobil	XOM	102.52	-2.55
F5	FFIV	137.70	-2.24
FMC	FMC	108.30	-1.86
FactSet	FDS	388.54	-7.49
FairIsaac	FICO	754.13	-2.01
Fastenal	FAST	53.64	-0.58
FederalRealty	FRT	88.39	-3.56
FedEx	FDX	221.27	-1.15
Ferguson	FERG	145.49	-1.95
Ferrari	RACE	292.60	-0.40
FidNatlFin	FNF	34.04	-0.38
FidNatlInfo	FIS	54.91	-0.62
FifthThirdBncp	FITB	23.78	-0.44
FirstCitizBcshA	FCNCA	1261.33	-4.63
FirstIndRlty	FR	51.50	-1.56
FirstSolar	FSLR	212.80	-8.79
FirstEnergy	FE	38.14	-0.67
FirstService	FSV	147.12	-0.42
Fiserv	FISV	118.68	-1.04
FiveBelow	FIVE	192.39	-6.55
FleetCorTech	FLT	226.52	-3.63
Flex	FLEX	23.38	-0.22
Floor&Decor	FND	89.07	-3.21
▲ FomentoEconMex	FMX	101.36	-0.23
FordMotor	F	11.25	-0.39
Fortinet	FTNT	68.31	-0.25
Fortis	FTS	44.19	-0.92
Fortive	FTV	64.51	-1.16
FortuneBrands	FBIN	64.67	-1.04
FoxB	FOX	28.21	-0.41
FoxA	FOXA	30.53	-0.48
Franco-Nevada	FNV	154.11	-3.66
FranklinRscs	BEN	24.02	-0.49
FreeportMcM	FCX	35.25	-0.88
FreseniusMed	FMS	23.79	-0.04
FullTruck	YMM	6.02	-0.08
G H I			
GE HealthCare	GEHC	77.78	2.85
GFLEnvironmental	GFL	37.44	-0.16
GSK	GSK	36.47	-0.31
▲ GXO Logistics	GXO	57.53	0.36
Gallagher	AJG	217.01	-0.82
GameStop	GME	21.99	0.37
Gaming&Leisure	GLPI	48.24	-0.46
Garmin	GRMN	102.68	-1.14
Gartner	IT	321.21	6.10
▼ **GenDigital**	**GEN**	**15.46**	**-0.95**
Generac	GNRC	112.34	-4.34
GeneralDynamics	GD	207.59	-2.62
GeneralElec	GE	101.13	-0.87
GeneralMills	GIS	90.26	-0.03
GeneralMotors	GM	31.54	-0.83
Genmab	GMAB	41.55	-0.59
Genpact	G	36.39	-0.58
Gentex	GNTX	27.80	-0.40
GenuineParts	GPC	165.56	-2.86
Gerdau	GGB	4.67	-0.19
GileadSciences	GILD	78.32	-0.06
GlobalPayments	GPN	100.51	-2.54
GlobalFoundries	GFS	54.23	-0.55
GlobeLife	GL	106.29	-1.29
GlobusMedical	GMED	56.46	-0.20
GoDaddy	GDDY	71.86	0.15
GoldFields	GFI	15.69	-0.13
GoldmanSachs	GS	320.81	-1.26
Grab	GRAB	3.16	-0.12
Graco	GGG	76.97	-0.15
Grainger	GWW	664.26	-6.13
GraphicPkg	GPK	25.50	-0.33
Grifols	GRFS	8.72	-0.24
GpoAeroportuar	PAC	184.45	0.61
GpoAeroportSur	ASR	292.09	0.90
Guidewire	GWRE	79.07	-1.14
HCA Healthcare	HCA	275.57	-1.95
HDFC Bank	HDB	67.00	-1.10
HF Sinclair	DINO	39.39	-0.86
HP	HPQ	29.66	0.09
HSBC	HSBC	37.84	-0.60
H World	HTHT	42.82	-0.90
Haleon	HLN	8.73	-0.14
Halliburton	HAL	27.88	-1.22
HartfordFinl	HIG	69.54	-0.67
Hasbro	HAS	61.82	-0.54
HealthcareRealty	HR	19.41	-0.61
HealthpeakProp	PEAK	20.28	-0.66
Heico	HEI	177.53	-1.37
Heico A	HEI.A	140.00	-1.02
HenrySchein	HSIC	77.09	-1.12
Hershey	HSY	269.23	-1.23
Hess	HES	130.11	-4.53
HessMidstream	HESM	29.08	-0.37
HewlettPackard	HPE	14.04	-0.25
Hilton	HLT	142.47	-0.79
Hologic	HOLX	81.34	-1.03
HomeDepot	HD	282.33	-6.21
HondaMotor	HMC	27.90	0.30
Honeywell	HON	191.61	-2.70
HorizonTherap	**HZNP**	**96.34**	**-15.91**
HormelFoods	HRL	39.03	-0.59
▲ DR Horton	DHI	111.80	2.00
HostHotels	HST	16.96	0.04
HowmetAerospace	HWM	44.24	-0.29
Hubbell	HUBB	270.07	-3.51
▲ HubSpot	HUBS	474.46	3.32
Humana	HUM	518.35	-4.15
JBHunt	JBHT	171.03	-4.51
HuntingtonBcshs	HBAN	9.48	-0.08
HuntingIngalls	HII	196.47	-0.95
HyattHotels	H	112.20	-1.73
ICICI Bank	IBN	23.03	-0.05
ICL Group	ICL	6.34	-0.11
IdexxLab	IDXX	491.93	2.05
ING Groep	ING	12.73	...
Invesco	IVZ	14.98	-0.23
IQVIA	IQV	191.21	-0.26
ITT	ITT	80.91	-1.20
IcahnEnterprises	IEP	34.21	0.09
Icon	ICLR	206.56	0.71
IDEX	IEX	202.70	-5.19
IllinoisToolWks	ITW	226.00	-3.27
Illumina	ILMN	201.92	-2.93
ImperialOil	IMO	45.41	-0.71
Incyte	INCY	64.70	-1.50
Infosys	INFY	15.11	-0.23
IngersollRand	IR	58.53	-0.40
Ingredion	INGR	109.54	-0.67
▲ InspireMedical	INSP	298.55	2.50
Insulet	PODD	319.87	-0.92
Intel	INTC	29.22	-0.58
InteractiveBrkrs	IBKR	74.87	-1.74
ICE	ICE	109.00	-0.86
InterContinentl	IHG	67.20	-0.02
IBM	IBM	123.46	0.10
▼ IntlFlavors	IFF	81.12	-3.24
IntlPaper	IP	31.48	-0.34
Interpublic	IPG	36.18	0.23
Intuit	INTU	421.41	-4.80
IntuitiveSurgical	ISRG	306.61	-1.44
InvitatHomes	INVH	33.21	-0.87
IridiumComm	IRDM	61.65	-0.09
IronMountain	IRM	54.35	-1.31
ItauUnibanco	ITUB	5.41	-0.08
J K L			
JD.com	JD	37.92	0.25
JPMorganChase	JPM	134.32	-0.91
Jabil	JBL	80.64	0.59
JackHenry	JKHY	147.89	-6.86
JacobsSolns	J	113.51	-0.50
JamesHardie	**JHX**	**24.46**	**1.60**
JazzPharm	JAZZ	131.03	-3.65
JefferiesFin	JEF	29.50	-0.65
J&J	JNJ	159.34	-0.21
JohnsonControls	JCI	60.80	-1.62
JonesLang	JLL	137.70	-0.77
JuniperNetworks	JNPR	28.87	-0.42
KB Financial	KB	36.73	-0.38
KBR	KBR	58.50	-0.69
KE Holdings	BEKE	16.85	-0.25
KKR	KKR	47.79	-1.32
KLA	KLAC	408.81	4.71
Kanzhun	BZ	18.28	-0.23
KarunaTherap	KRTX	222.85	-7.77
Kellogg	K	69.50	-0.62
Kenvue	KVUE	27.03	-0.47
▼ KeurigDrPepper	KDP	31.86	-0.50
KeyCorp	KEY	9.37	-0.22
KeysightTech	KEYS	146.52	-2.28
KimberlyClark	KMB	144.66	0.81
KimcoRealty	KIM	18.06	-0.63
KinderMorgan	KMI	16.30	-0.40
KinrossGold	KGC	5.27	-0.14
KinsaleCapital	KNSL	329.78	-3.60
Knight-Swift	KNX	55.12	-1.24
Philips	PHG	20.63	-0.14
KoreaElecPwr	KEP	7.00	-0.25
KraftHeinz	KHC	39.00	-1.17
Kroger	KR	48.93	-0.14
LKQ	LKQ	55.86	-1.05
LPL Financial	LPLA	189.89	-1.21
L3HarrisTech	LHX	183.97	-2.90
LabCorp.ofAmerica	LH	217.59	-5.31
▲ LamResearch	LRCX	558.93	6.66
LamarAdv	LAMR	92.56	-2.27
LambWeston	LW	113.64	-0.25
LandstarSystem	LSTR	175.40	-2.17
Lantheus	LNTH	97.43	-1.78
LasVegasSands	LVS	58.41	-1.54
LatticeSemi	LSCC	82.45	-1.51
Lear	LEA	120.53	-2.20
LegendBiotech	LEGN	72.75	-0.39
▼ Leidos	LDOS	76.92	-1.40
Lennar A	LEN	113.92	0.62
Lennar B	LEN.B	100.13	0.13
LennoxIntl	LII	280.91	-5.57
LiAuto	LI	29.96	-0.04
LibertyBroadbandC	LBRDK	76.45	-1.89
LibertyBroadbandA	LBRDA	75.83	-1.70
LibertyGlobal A	LBTYA	17.12	-0.39
LibertyGlobal C	LBTYK	18.00	-0.32
LibertyFormOne C	FWONK	73.79	-1.27
LibertyFormOne A	FWONA	66.15	-1.09
LibertyBraves A	BATRA	38.64	-0.64
LibertyBraves C	BATRK	37.82	-0.65
LibertySirius C	LSXMK	27.75	-0.72
LibertySirius A	LSXMA	27.82	-0.72
LifeStorage	LSI	131.48	-2.73

Continued on Page B11

New Highs and Lows

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. **% CHG**-Daily percentage change from the previous trading session.

Tuesday, May 16, 2023

Stock	Sym	52-Wk Hi/Lo	% Chg
Highs			
AbriSPACI	ASPA	10.69	1.3
AlchemyInv1	ALCYU	10.16	0.2
AmbrxBio	AMAM	13.78	12.8
AmericaMovil	AMX	23.07	0.7
AmerisourceBrgn	ABC	174.78	0.7
AppliedDigital	APLD	6.25	78.9
AresAcqnA	AAC	10.48	0.1
arGEN-X	ARGX	409.53	-0.1
BelongAcqn	BLNGU	10.64	-4.8
BioPlusAcqnA	BIOS	10.52	0.2
BiteAcqn	BITE	10.80	4.1
Blackbaud	BLKB	71.45	0.4
BostonSci	BSX	54.08	0.2
BridgetownA	BTWN	10.30	0.6
BuildersFirst	BLDR	119.90	0.9
BurfordCapital	BUR	14.04	0.4
C5 Acqn	CXAC.U	11.13	0.5
CGI A	GIB	104.19	0.5
CabalettaBio	CABA	13.44	14.6
CdnPacKC	CP	83.45	-0.1
CardinalHealth	CAH	86.20	0.6
CarrolsRestr	TAST	5.45	11.3
CasellaWaste	CWST	95.78	-0.5
CetusCapitalAcqnWt	CETUW	0.08	-7.0
ChengheAcqn	CHEAU	10.82	1.9
Coca-ColaEuro	CCEP	66.79	0.9
Corvel	CRVL	221.82	-2.3
CoyaTherap	COYA	8.00	10.0
CraneNXT	CXT	50.93	0.8
Cvent	CVT	8.48	...
Digimarc	DMRC	30.46	6.2
EdocAcqnRt	ADOCR	0.33	-37.5
EnlightRenewableEn	ENLT	18.98	2.2
EverestConsolA	MNTN	10.54	0.1
EvolvTech	EVLV	5.55	3.2
FomentoEconMex	FMX	102.50	-0.2
GMS	GMS	62.30	0.7
GXO Logistics	GXO	57.91	0.6
GenieEnergy	GNE	16.86	-3.9
GeospaceTech	GEOS	8.95	5.1
GlbBlockchainRt	GBBKR	0.55	17.6
GoalAcqns	PUCK	10.29	0.3
Harmonic	HLIT	16.59	-0.7
HeritageInsurance	HRTG	5.23	1.2
DR Horton	DHI	112.05	1.8
Hovnanian	HOV	87.32	4.4
HubSpot	HUBS	474.53	0.7
IX Acqn	IXAQU	11.52	0.2
InFinTAcqnA	IFIN	10.71	0.1
InozymePharma	INZY	7.24	2.5
InspireMedical	INSP	298.77	0.8
IntegratedRailWt	IRRX.WS	0.33	20.7
Jiayin	JFIN	6.16	-3.2
LamResearch	LRCX	564.19	1.2
MaquiaCapital	MAQC	11.49	0.6
MartinMarietta	MLM	405.97	-0.5
MetalsAcqn	MTAL	10.78	...
Microsoft	MSFT	313.71	0.7
MoneyGram	MGI	10.97	-0.1
MountainCrestVRt	MCAGR	0.37	-6.7
N-able	NABL	14.34	1.9
NatlInstruments	NATI	58.30	-0.2
Nextracker	NXT	40.80	-7.0
NuHoldings	NU	6.92	0.2
NVIDIA	NVDA	298.70	0.9
OntoInnovation	ONTO	96.06	2.4
Oracle	ORCL	98.85	1.0
PharmaCyteBiotech	PMCB	3.12	0.3
PulteGroup	PHM	69.68	1.2
RadianGroup	RDN	25.23	-0.3
Rambus	RMBS	53.02	3.5
RentokilInit	RTO	40.70	...
RothCHAcqnIV	ROCG	11.89	0.2
Ryanair	RYAAY	101.65	0.2
SagaliamAcqnRt	SAGAR	0.28	39.3
7GC	VIIAU	10.55	1.0
SigmaLithium	SGML	41.76	-1.2
SilverspacA	SLVR	10.35	...
SpreeAcqn1Un	SHAP.U	10.51	0.1
StoneBridgeA	APAC	10.73	0.3
SuperMicroComp	SMCI	147.50	5.8
TastemakerAcqn	TMKRU	10.64	0.2
TastemakerA	TMKR	10.66	1.8
Tingo	TIO	3.95	13.3
TransDigm	TDG	824.59	-0.1
UFP Tech	UFPT	152.52	-0.1
US Lime&Min	USLM	184.75	1.7
UnitedInsurance	UIHC	5.46	29.6
UnivStainless	USAP	10.37	-0.1
VeriskAnalytics	VRSK	218.60	1.5
VikingTherap	VKTX	25.03	12.1
Vipshop	VIPS	16.35	2.5
VirTra	VTSI	6.99	13.9
VitaCoco	COCO	25.18	1.6
Vontier	VNT	28.66	0.1
WelsbachTech	WTMAU	10.60	2.5
YottaAcqn	YOTA	10.46	0.1
Lows			
ACELYRIN	SLRN	20.00	-2.6
ACRESCmclPfdD	ACRpD	16.92	0.3
AMC Networks	AMCX	13.37	-6.6
Absci	ABSI	1.14	-8.6
Aceragen	ACGN	1.31	-6.4
Adamis	ADMP	0.06	-0.7
ADDvantage	AEY	0.55	-29.2
Aditxt	ADTX	0.55	-3.4
AdTheorentWt	ADTHW	0.05	-21.0
AgileTherap	AGRX	4.40	-7.2
AgileThought	AGIL	0.92	-5.7
AirspanNetworks	MIMO	0.31	-31.7
Akoya	AKYA	5.60	2.9
Alexander's	ALX	163.81	-2.6
AllarityTherap	ALLR	0.33	-7.7
Allot	ALLT	2.50	-4.3
Alpine4	ALPP	1.81	-5.0
AmerEqInvLifePfB	AELpB	21.23	-1.0
Amplitude	AMPL	8.50	-13.0
Amyris	AMRS	0.55	-5.7
AptevoTherap	APVO	1.53	-3.0
AquaBountyTech	AQB	0.48	-5.6
ArcadiaBiosci	RKDA	4.64	-2.4
ArcutisBiotherap	ARQT	9.71	-3.1
ArdaghMetalPkg	AMBP	3.40	-2.8
ArenaGroup	AREN	3.35	-5.1
ArmstrongWorld	AWI	63.52	-2.4
ArrowFinancial	AROW	17.73	-6.3
AscentSolar	ASTI	0.17	-8.3
Ashford	AINC	9.40	-4.8
AspenInsPfd	AHLpD	17.50	-1.4
AtaraBiotherap	ATRA	1.95	-5.5
Atento	ATTO	0.85	-8.6
Aterian	ATER	0.55	-9.1
AthenePfdA	ATHpA	19.49	-0.8
Athenex	ATNX	0.35	-15.1
AudioCodes	AUDC	8.05	-1.1
AultAlliance	AULT	0.07	-23.3
AuroraMobile	JG	0.33	-2.0
AvalonGloboCare	ALBT	1.66	-6.0
AvidTechnology	AVID	19.95	-0.1
BRP Group	BRP	20.73	-3.3
Babylon	BBLN	0.74	0.8
BattalionOil	BATL	5.79	-7.9
BaudaxBio	BXRX	0.59	-0.5
BayCom	BCML	15.02	0.3
BigLots	BIG	7.62	-4.6
Biocept	BIOC	0.21	-15.0
Biolase	BIOL	0.15	-18.8
Biophytis	BPTS	2.26	-15.3
BitdeerTech	BTDR	5.20	-1.6
BlockHR	HRB	29.72	-3.1
BluescapeOppsWt	BOAC.WS	0.02	-0.4
ButterflyNtwkWt	BFLY.WS	0.20	-18.4
CBL&Assoc	CBL	21.20	-0.1
CVS Health	CVS	67.05	-2.5
Cactus	WHD	34.24	-2.6
CamberEnergy	CEI	1.12	-0.9
Carter's	CRI	62.65	-1.5
Cato	CATO	8.00	-1.0
Cazoo	CZOO	1.24	-3.8
ChargePoint	CHPT	8.00	-7.2
ChickenSoupPfdA	CSSEP	10.01	4.4
Children'sPlace	PLCE	24.42	-7.6

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BANKRATE.COM® MMA, Savings and CDs

Average Yields of Major Banks

Tuesday, May 16, 2023

Type	MMA	1-MO	2-MO	3-MO	6-MO	1-YR	2-YR	2.5YR	5YR
National average									
Savings	0.32	0.22	0.24	1.17	1.16	1.39	1.24	1.11	1.06
Jumbos	0.78	0.24	0.26	1.29	1.24	1.50	1.34	1.21	1.16
Weekly change									
Savings	0.00	-0.01	0.00	0.02	0.02	0.02	-0.01	0.01	0.00
Jumbos	0.00	-0.02	0.00	0.03	0.02	0.01	-0.01	0.00	-0.01

Consumer Savings Rates

Below are the top federally insured offers available nationwide according to Bankrate.com's weekly survey of highest yields. For latest offers and reviews of these financial institutions, please visit bankrate.com/banking/reviews. Information is believed to be reliable, but not guaranteed.

High yield savings

Bank / Phone number	Minimum	Yield (%)
Money market and savings account		
CFG Community Bank (888) 205-8388	$1,000	5.07
Varo Bank (877) 377-8276	$1	5.00
Primis Bank (833) 477-4647	$1	4.92
One-month CD		
VirtualBank (877) 998-2265	$10,000	2.48
Lone Star Bank (713) 358-9400	$1,000	0.20
Presidential Bank, FSB (800) 799-1424	$1,000	0.10
Two-month CD		
VirtualBank (877) 998-2265	$10,000	2.74
Lone Star Bank (713) 358-9400	$1,000	0.20
Presidential Bank, FSB (800) 799-1424	$1,000	0.10
Three-month CD		
Charles Schwab Bank (888) 403-9000	$1,000	5.25
Merrick Bank (866) 638-6851	$25,000	4.75
America First FCU (801) 627-0900	$500	4.50
Six-month CD		
Charles Schwab Bank (888) 403-9000	$1,000	5.22
Vio Bank (888) 999-9170	$500	5.05
Rising Bank (888) 222-9484	$1,000	5.00
One-year CD		
CFG Community Bank (888) 205-8388	$500	5.25
BrioDirect (877) 369-2746	$500	5.25
Rising Bank (888) 222-9484	$1,000	5.15
Two-year CD		
Merrick Bank (866) 638-6851	$25,000	4.80
CIBC Bank USA (800) 662-7748	$1,000	4.75
First Internet Bank of Indiana (888) 873-3424	$1,000	4.70
Five-year CD		
GTE Financial Credit Union (U) (888) 871-2690	$500	4.54
CFG Community Bank (888) 205-8388	$500	4.50
Barclays Bank (888) 720-8756	$0	4.50

High yield jumbos - Minimum is $100,000

Bank / Phone number	Yield (%)
Money market and savings account	
CFG Community Bank (888) 205-8388	5.07
Vio Bank (888) 999-9170	4.85
UFB Direct (877) 472-9200	4.81
One-month CD	
VirtualBank (877) 998-2265	2.48
Lone Star Bank (713) 358-9400	0.20
Presidential Bank, FSB (800) 799-1424	0.10
Two-month CD	
VirtualBank (877) 998-2265	2.74
Lone Star Bank (713) 358-9400	0.20
Presidential Bank, FSB (800) 799-1424	0.10
Three-month CD	
Charles Schwab Bank (888) 403-9000	5.25
Merrick Bank (866) 638-6851	4.75
America First FCU (801) 627-0900	4.50
Six-month CD	
Charles Schwab Bank (888) 403-9000	5.22
Vio Bank (888) 999-9170	5.05
America First FCU (801) 627-0900	5.00
One-year CD	
BrioDirect (877) 369-2746	5.25
CFG Community Bank (888) 205-8388	5.25
Connexus Credit Union (800) 845-5025	5.16
Two-year CD	
CIBC Bank USA (800) 662-7748	4.80
Merrick Bank (866) 638-6851	4.80
Connexus Credit Union (800) 845-5025	4.76
Five-year CD	
GTE Financial Credit Union (U) (888) 871-2690	4.80
CFG Community Bank (888) 205-8388	4.50
Barclays Bank (888) 720-8756	4.50

Notes: Accounts are federally insured up to $250,000 per person. Yields are based on method of compounding and rate stated for the lowest required opening deposit to earn interest. CD figures are for fixed rates only. MMA: Allows six (6) third-party transfers per month, three (3) of which may be checks. Rates are subject to change.

Source: Bankrate.com, a publication of Bankrate, Inc., Palm Beach Gardens, FL 33410
Internet: www.bankrate.com

Dividend Changes

Company	Symbol	Yld %	Amount New/Old	Frq	Payable / Record
Increased					
Columbia Banking System	COLB	6.1	.36 / .30	Q	Jun15 /May31
Lennox International	LII	1.5	1.10 /1.06	Q	Jul14 /Jun30
Marriott International	MAR	0.9	.52 / .40	Q	Jun30 /May26
MetLife Floating Ser A	METpA	6.6	.3748 / .36056	Q	Jun15 /May31
P10	PX	1.1	.0325 / .03	Q	Jun20 /May30
Reduced					
Permianville Royalty Tr	PVL	18.4	.0135 / .03	M	Jun14 /May31
TPG	TPG	5.8	.20 / .50	Q	Jun05 /May25
Initial					
Paycom Software	PAYC	0.6	.375		Jun12 /May30
Stocks					
Cyclerion Therapeutics	CYCN		1:20		/May16
Greenidge Generation	GREE		1:10		/May16
Stronghold Dig Mining	SDIG		1:10		/May16
Foreign					
Banco Bradesco Ord ADR	BBDO	5.1	.0035	M	Jul13 /Jun05
Banco Bradesco Pref ADR	BBD	5.2	.0035	M	Jul13 /Jun05
Centerra Gold	CGAU	3.7	.0517	Q	Jun12 /May29
SFL	SFL	11.3	.24	Q	Jun30 /Jun16
Special					
SandRidge Energy	SD	...	2.00		Jun07 /May24
Spirit Airlines	SAVE	...	.10		May31 /May24

Sources: FactSet; Dow Jones Market Data

KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2:1: stock split and ratio; SO: spin-off.

Cash Prices

Tuesday, May 16, 2023

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Tuesday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	75.750
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	15.250
Metals	
Gold, per troy oz	
Engelhard industrial	2010.00
Handy & Harman base	2007.45
Handy & Harman fabricated	2228.27
LBMA Gold Price AM	*2015.30
LBMA Gold Price PM	*2019.90
Krugerrand,wholesale-e	2078.09
Maple Leaf-e	2127.80
American Eagle-e	2127.80
Mexican peso-e	2565.49
Austria crown-e	1952.23
Austria phil-e	2088.03
Silver, troy oz.	
Engelhard industrial	24.2000
Handy & Harman base	23.7060
Handy & Harman fabricated	29.6330
LBMA spot price	*£19.1000
(U.S.$ equivalent)	*23.8900
Coins,wholesale $1,000 face-a	22187
Other metals	
LBMA Platinum Price PM	*1061.0
Platinum,Engelhard industrial	1077.0
Palladium,Engelhard industrial	1535.0
Aluminum, LME, $ per metric ton	*2260.5
Copper,Comex spot	3.6545
Iron Ore, 62% Fe CFR China-s	n.a.
Shredded Scrap, US Midwest-s,m	n.a.
Steel, HRC USA, FOB Midwest Mill-s	n.a.
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.2%-v,w	28450
BMI Lithium Hydroxide, EXW China, =56.5% -v,w	29525
BMI Cobalt sulphate, EXW China, >20.5% -v,m	5148
BMI Nickel Sulphate, EXW China, >22%-v,m	4966
BMI Flake Graphite, FOB China, -100 Mesh, 94-95% -v,m	705
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	0.7400
Cotton,1 1/16 std lw-mdMphs-u	0.8213
Cotlook 'A' Index-t	*92.45
Hides,hvy native steers piece fob-u	n.a.
Wool,64s,staple,Terr del-u,w	n.a.

	Tuesday
Grains and Feeds	
Barley,top-quality Mnpls-u	n.a.
Bran,wheat middlings, KC-u,w	133
Corn,No. 2 yellow,Cent IL-bp,u	6.0600
Corn gluten feed,Midwest-u,w	170.2
Corn gluten meal,Midwest-u,w	558.4
Cottonseed meal-u,w	378
Hominy feed,Cent IL-u,w	198
Meat-bonemeal,50% pro Mnpls-u,w	455
Oats,No.2 milling,Mnpls-u	3.9500
Rice, Long Grain Milled, No. 2 AR-u,w	37.25
Sorghum,(Milo) No.2 Gulf-u	n.a.
SoybeanMeal,Cent IL,rail,ton48%-u,w	438.90
Soybeans,No.1 yllw IL-bp,u	13.7500
Wheat,Spring14%-pro Mnpls-u	10.4875
Wheat,No.2 soft red,St.Louis-u	6.5250
Wheat - Hard - KC (USDA) $ per bu-u	9.6025
Wheat,No.1soft white,Portld,OR-u	7.3000
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	275.57
select 1-3,600-900 lbs.-u	257.72
Broilers, National comp wtd. avg.-u,w	1.4211
Butter,AA Chicago-d	2.4375
Cheddar cheese,bbl,Chicago-d	144.75
Cheddar cheese,blk,Chicago-d	150.50
Milk,Nonfat dry,Chicago lb.-d	116.50
Coffee,Brazilian,Comp-y	1.9169
Coffee,Colombian, NY-y	2.3141
Eggs,large white,Chicago-u	0.7750
Flour,hard winter KC-p	23.65
Hams,17-20 lbs,Mid-US fob-u	0.89
Hogs,Iowa-So. Minnesota-u	78.04
Pork bellies,12-14 lb MidUS-u	0.9512
Pork loins,13-19 lb MidUS-u	1.0131
Steers,Tex.-Okla. Choice-u	n.a.
Steers,feeder,Okla. City-u,w	244.25
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	n.a.
Grease,choice white,Chicago-h	n.a.
Lard,Chicago-u	n.a.
Soybean oil,crude;Centl IL-u,w	0.5227
Tallow,bleach;Chicago-h	n.a.
Tallow,edible,Chicago-u	n.a.

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra,Tordella & Brookes; H=American Commodities Brokerage Co;
K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Sosland Publishing; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 5/15

Source: Dow Jones Market Data

Mutual Funds

Data provided by LIPPER

Top 250 mutual-funds listings for Nasdaq-published share classes by net assets.

e-Ex-distribution. **f**-Previous day's quotation. **g**-Footnotes x and s apply. **j**-Footnotes e and s apply. **k**-Recalculated by Lipper, using updated data. **p**-Distribution costs apply, 12b-1. **r**-Redemption charge may apply. **s**-Stock split or dividend. **t**-Footnotes p and r apply. **v**-Footnotes x and e apply. **x**-Ex-dividend. **z**-Footnote x, e and s apply. **NA**-Not available due to incomplete price, performance or cost data. **NE**-Not released by Lipper; data under review. **NN**-Fund not tracked. **NS**-Fund didn't exist at start of period.

Tuesday, May 16, 2023

Fund	NAV	Net Chg	YTD % Ret
AB Funds - ADV			
LgCpGrAdv	79.48	-0.41	13.7
American Century Inv			
Ultra	65.70	-0.10	19.1
American Funds Cl A			
AmcpA	33.29	-0.24	10.7
AMutlA	48.32	-0.51	0.2
BalA	29.46	-0.17	2.8
BondA	11.54	-0.03	2.6
CapIBA	63.42	-0.57	1.4
CapWGrA	54.86	-0.32	6.8
EupacA	54.12	-0.49	10.4
FdInvA	63.95	-0.49	6.4
GwthA	55.21	-0.34	11.6
HI TrA	9.11	-0.03	2.9
ICAA	44.16	-0.24	7.4
IncoA	22.45	-0.18	...
N PerA	52.37	-0.32	10.7
NEcoA	47.87	-0.31	10.0
NwWrldA	71.49	-0.53	7.6
SmCpA	59.65	-0.47	6.3
TxExA	12.25	-0.03	2.7
WshA	52.34	-0.45	1.1
Artisan Funds			
IntlVal Inst	43.20	-0.11	NA
Baird Funds			
AggBdInst	9.79	-0.02	3.0
CorBdInst	10.05	-0.03	2.9
BlackRock Funds			
HiYldBd Inst	6.74	-0.03	4.0
BlackRock Funds III			
iShS&P500IdxK	482.58	-3.07	7.7
BlackRock Funds Inst			
EqtyDivd	18.57	-0.18	2.1
StratIncOpptyIns	9.23	-0.01	2.0
Bridge Builder Trust			
CoreBond	8.99	-0.02	2.8
CorePlusBond	8.86	-0.02	2.9
Intl Eq	11.89	-0.11	10.9
LargeCapGrowth	19.02	-0.07	11.3
LargeCapValue	14.92	-0.17	-0.1
MunicipalBond	9.84	-0.01	2.3
Calamos Funds			
MktNeutI	14.26	-0.01	3.8
Columbia Class I			
DivIncom I	28.30	-0.31	-1.6
Dimensional Fds			
5GlbFxdInc	10.02	-0.01	1.9
EmgMktVa	27.85	-0.13	5.6
EmMktCorEq	21.14	-0.10	NA
IntlCoreEq	14.68	-0.15	8.8
IntSmCo	18.66	-0.17	7.2
IntSmVa	20.24	-0.22	7.7
LgCo	28.06	-0.18	7.7
US CoreEq1	31.01	-0.28	4.5
US CoreEq2	28.05	-0.27	3.7
US Small	37.95	-0.47	-1.7
US SmCpVal	36.74	-0.49	-6.1
US TgdVal	25.94	-0.32	-4.9
USLgVa	40.12	-0.55	-2.8
Dodge & Cox			
Balanced	93.67	-0.54	1.4
GblStock	13.22	-0.08	4.8
Income	12.43	-0.02	2.9
Intl Stk	46.32	-0.21	7.4
Stock	212.85	-1.82	-0.2
DoubleLine Funds			
TotRetBdI	8.96	-0.02	3.5
Edgewood Growth Instituti			
EdgewoodGrInst	35.46	-0.28	13.3
Fidelity			
500IdxInstPrem	142.84	-0.91	7.7
Contrafund K6	19.13	-0.06	13.8
ExtMktIdxInstPre	64.23	-1.06	2.1
FidSerToMarket	13.46	-0.11	6.9
GrowthCompanyK6	18.26	-0.08	18.6
InflPrBdIndInsPr	9.30	-0.02	3.1
IntlIdxInstPrem	45.70	-0.34	10.9
LgCpGwId InstPre	24.23	-0.06	16.4
MidCpInxInstPrem	26.10	-0.41	0.7
SAIUSLgCpIndxFd	18.10	-0.12	7.7
SeriesBondFd	9.03	-0.03	2.9
SeriesOverseas	12.31	-0.08	13.4
SerLTTreBdIdx	6.05	-0.02	4.4
SmCpIdxInstPrem	21.53	-0.31	-0.8
TMktIdxInstPrem	113.04	-0.88	6.9
TotalMarketIndex	14.27	-0.11	6.9
TtlIntIdxInstPr	12.66	-0.08	8.1
USBdIdxInstPrem	10.37	-0.03	2.9
Fidelity Freedom			
FF2020	13.42	-0.07	5.3
FF2025	12.38	-0.07	5.7
FF2030	15.52	-0.08	6.1
FF2035	13.39	-0.08	6.7
FF2040	9.51	-0.07	7.4
Freedom2030 K	15.51	-0.09	6.1
Idx2030InsPre	17.75	-0.11	5.8
Idx2035InsPre	19.90	-0.12	6.4
Idx2040InsPre	20.27	-0.14	7.0
Fidelity Invest			
Balanc	24.73	-0.12	8.3
BluCh	137.10	-0.51	21.9
Contra	13.69	-0.04	14.9
CpInc	9.17	-0.04	3.6
GroCo	27.09	-0.07	20.3
InvGrBd	10.03	-0.03	3.3
LowP	46.37	-0.49	0.4
Magin	10.50	-0.06	9.9
NASDAQ	156.09	-0.27	18.3
OTC	15.21	+0.01	18.6
Puritn	21.73	-0.12	6.5
SAIUSQtyIdx	16.98	-0.08	10.9
SrsEmrgMkt	16.46	-0.13	5.4
SrsGlobal	13.39	-0.09	8.4
SrsGroCoRetail	16.35	-0.05	18.7
SrsIntlGrw	16.07	-0.08	12.7
SrsIntlVal	10.71	-0.09	6.8
TotalBond	9.48	-0.02	3.1
Fidelity SAI			
TotalBd	8.97	-0.02	3.2
U.S.TreBdIdx	8.87	-0.02	3.3
Fidelity Selects			
Softwr	22.94	-0.03	16.7
Tech	22.55	-0.01	26.4
First Eagle Funds			
GlbA	61.66	-0.55	6.4
Franklin A1			
IncomeA1	2.25	-0.02	1.4
FrankTemp/Frank Adv			
IncomeAdv	2.23	-0.02	1.5
FrankTemp/Franklin A			
Growth A	111.04	-0.68	8.7
RisDv A	85.35	-0.70	3.6
Guggenheim Funds Tru			
TotRtnBdFdClInst	23.69	-0.06	3.7
Harbor Funds			
CapApInst	76.41	-0.05	21.7
Harding Loevner			
IntlEq	25.47	-0.20	NA
Invesco Funds A			
EqIncA	9.67	-0.09	-1.0
Invesco Funds Y			
DevMktY	39.02	-0.29	11.6
JHF III DispVal			
DispValMCI	24.21	-0.36	-0.9
John Hancock			
BondR6	13.53	-0.03	3.0
JPMorgan I Class			
CoreBond	10.33	-0.03	3.5
EqInc	21.38	-0.28	-4.7
LgCpGwth	49.49	-0.11	10.6
JPMorgan R Class			
CoreBond	10.35	-0.02	3.6
CorePlusBd	7.28	-0.01	3.6
Lord Abbett I			
BdDebentr	6.90	-0.02	1.3
ShtDurInc p	3.85	-0.01	2.2
Metropolitan West			
TotRetBdI	9.22	-0.02	3.4
TRBdPlan	8.64	-0.03	3.4
MFS Funds			
IIE	31.71	-0.21	12.7
MFS Funds Class I			
GrowthI	151.19	+0.06	14.0
ValueI	46.40	-0.55	-2.5
Neuberger Berman Fds			
LCVal Inst	41.91	-0.57	-2.6
Northern Funds			
StkIdx	43.78	-0.28	7.7
Old Westbury Fds			
LrgCpStr	15.54	-0.11	6.6
Parnassus Fds			
ParnEqFd	51.20	-0.17	9.3
PGIM Funds Cl Z			
TotalReturnBond	NA	...	NA
PIMCO Fds Instl			
AllAsset	10.72	-0.08	NA
TotRt	8.60	-0.02	3.1
PIMCO Funds A			
IncomeFd	10.42	-0.04	2.9
PIMCO Funds I2			
Income	10.42	-0.04	3.0
PIMCO Funds Instl			
IncomeFd	10.42	-0.04	3.1
Price Funds			
BlChip	125.52	+0.03	21.3
DivGro	65.15	-0.58	1.9
Growth	74.16	...	20.4
HelSci	90.78	-1.03	1.1
LgCapGow I	54.55	-0.01	18.8
MidCap	93.31	-1.17	5.2
NHoriz	49.00	-0.80	5.8
R2025	15.35	-0.09	5.0
R2030	23.07	-0.14	5.5
R2040	25.98	-0.19	6.4
Schwab Funds			
1000 Inv r	NA	...	NA
S&P Sel	NA	...	NA
TSM Sel r	NA	...	NA
TIAA/CREF Funds			
EqIdxInst	29.01	-0.22	6.9
IntlEqIdxInst	21.17	-0.18	10.8
VANGUARD ADMIRAL			
500Adml	NA	...	NA
BalAdml	NA	...	NA
CAITAdml	NA	...	NA
CapOpAdml r	155.65	-1.19	6.5
DivAppIdxAdm	NA	...	NA
EMAdmr	NA	...	NA
EqIncAdml	NA	...	NA
ExplrAdml	NA	...	NA
ExtndAdml	NA	...	NA
GNMAAdml	NA	...	NA
GrwthAdml	NA	...	NA
HlthCareAdml r	90.25	-0.87	3.8
HYCorAdml r	NA	...	NA
InfProAd	NA	...	NA
IntlGrAdml	NA	...	NA
ITBondAdml	NA	...	NA
ITIGradeAdml	NA	...	NA
LarCapAd	NA	...	NA
LTGradeAdml	NA	...	NA
MidCpAdml	NA	...	NA
MuHYAdml	10.49	-0.03	NA
MuIntAdml	NA	...	NA
MuLTAdml	10.77	-0.03	3.2
MuLtdAdml	NA	...	NA
MuShtAdml	NA	...	NA
PrmcpAdml r	141.76	-0.75	8.3
RealEstatAdml	NA	...	NA
SmCapAdml	NA	...	NA
SmGthAdml	NA	...	NA
STBondAdml	10.03	-0.02	2.4
STIGradeAdml	NA	...	NA
STIPSIxAdm	23.94	-0.03	2.3
TotBdAdml	9.66	-0.02	3.0
TotIntBdIdxAdm	NA	...	NA
TotIntlAdmIdx r	NA	...	NA
TotStAdml	NA	...	NA
TxMCapAdml	NA	...	NA
TxMIn r	NA	...	NA
USGroAdml	NA	...	NA
ValAdml	NA	...	NA
WdsrIIAdml	NA	...	NA
WellsIAdml	NA	...	NA
WelltnAdml	NA	...	NA
WndsrAdml	NA	...	NA
VANGUARD FDS			
DivdGro	35.18	-0.32	...
IntlVal	NA	...	NA
LifeCon	NA	...	NA
LifeGro	NA	...	NA
LifeMod	NA	...	NA
PrmcpCor	28.66	-0.19	5.4
STAR	NA	...	NA
TgtRe2020	NA	...	NA
TgtRe2025	NA	...	NA
TgtRe2030	NA	...	NA
TgtRe2035	NA	...	NA
TgtRe2040	NA	...	NA
TgtRe2045	NA	...	NA
TgtRe2050	NA	...	NA
TgtRe2060	NA	...	NA
TgtRet2055	NA	...	NA
TgtRetInc	NA	...	NA
WellsI	NA	...	NA
Welltn	NA	...	NA
WndsrII	NA	...	NA
VANGUARD INDEX FDS			
ExtndIstPl	NA	...	NA
IdxIntl	NA	...	NA
MdCpGrAdml	NA	...	NA
MdCpVlAdml	NA	...	NA
SmValAdml	NA	...	NA
TotBd2	9.54	-0.03	2.9
TotIntlInstIdx r	NA	...	NA
TotItlInstPlId r	NA	...	NA
TotSt	NA	...	NA
VANGUARD INSTL FDS			
BalInst	NA	...	NA
DevMktsIndInst	NA	...	NA
DevMktsInxInst	NA	...	NA
ExtndInst	NA	...	NA
GrwthInst	NA	...	NA
InPrSeIn	NA	...	NA
InstIdx	NA	...	NA
InstPlus	NA	...	NA
InstTStPlus	NA	...	NA
MidCpInst	NA	...	NA
MidCpIstPl	NA	...	NA
RealEstaInstl	NA	...	NA
SmCapInst	NA	...	NA
SmCapIstPl	NA	...	NA
STIGradeInst	NA	...	NA
STIPSIxins	23.96	-0.03	2.3
TotBdInst	9.66	-0.02	3.0
TotBdInst2	9.54	-0.03	2.9
TotBdInstPl	9.66	-0.02	3.0
TotIntBdIdxInst	NA	...	NA
TotStInst	NA	...	NA
ValueInst	NA	...	NA
WCM Focus Funds			
WCMFocIntlGrwIns	21.89	-0.15	11.3
Western Asset			
CorePlusBdI	9.51	-0.03	NA

Indexes Slip Despite Gains In Communications, Tech Areas

By Eric Wallerstein

Major stock indexes fell despite support from growth stocks. Shares of companies in most industries traded lower with debt-ceiling negotiations remaining at a standstill.

The S&P 500 slipped 0.6%, while the Nasdaq Composite edged 0.2% lower. The Dow industrials fell 336 points, or 1%.

TUESDAY'S MARKETS

Retail-sales data released before the market opened showed Americans modestly increased spending in April. But consumers are holding off on big purchases. The shift among consumers hit **Home Depot**, which reported a decline in first-quarter sales.

The home-improvement company cut forecasts for the year, sending shares 2.2% lower on the day and building year-to-date losses to 11%. While Home Depot's murky outlook weighed on overall market sentiment, the S&P 500's two most dominant sectors this year—communication services and tech—finished the day in the green.

Shares of Google-parent **Alphabet** rose 2.7%. A securities filing late Monday showed billionaire Bill Ackman's hedge fund, Pershing Square Capital Management, built a billion-dollar stake in the tech company during the first quarter.

The gap between stocks that are doing well—technology or tech-oriented companies—and the broader market makes it hard to envision a sustained market rally, according to Terry Sandven, chief equity strategist at U.S. Bank Wealth Management.

"It's really only three sectors that are outperforming," said Mr. Sandven. "Ultimately we're in an environment of persistent inflation, elevated interest rates and earnings being reset lower."

"Typically, that's not a good environment for equities," he added.

Wall Street is looking ahead to earnings from more big-box retailers to get a gauge of Americans' spending habits, with Target and Walmart both set to report results this week.

Meanwhile, warnings around the debt ceiling grew louder, further adding pressure to stocks. Treasury Secretary Janet Yellen has said that the U.S. could become unable to pay its bills as soon as June 1 if Congress doesn't raise the federal borrowing limit. She doubled down on the severity of a potential debt-ceiling problem in Tuesday remarks to community bankers.

"Don't let a congressional calendar scare you that things can't get done," Jason Pride, chief of investment strategy and research at investment manager Glenmede.

Mr. Pride said that if the deadline approaches, Congress can call additional sessions or pass a last-minute suspension, like it did in 2011.

Even if the base assumption is for a deal to get done, he said he expects market volatility to rise as early June nears.

Furthermore, in the event of a clean debt-ceiling raise, a deal which hampers fiscal spending could drag on growth, thus crimping corporate profits and weighing on stocks.

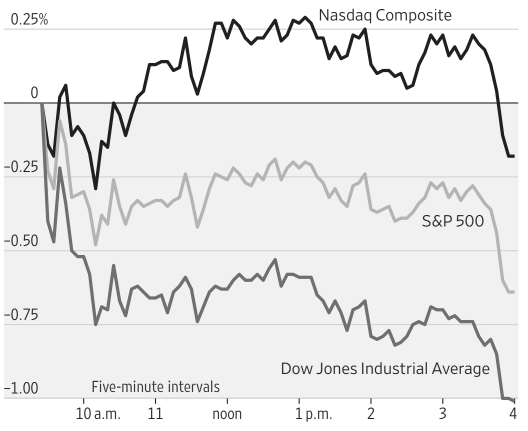
The debt ceiling also has rattled the market for short-term U.S. government debt. Many investors are seeking to avoid Treasury bills that mature around early June, when the Treasury could be unable to make some payments. Others are taking advantage of the higher rates on those securities, expecting the government to get a deal done.

Prices for Treasurys fell following the retail-sales report, pushing yields higher. The yield on the 10-year Treasury rose to 3.553% from 3.506% Monday.

The two-year yield, which is particularly sensitive to monetary-policy expectations, finished at 4.072% from 4.004%.

Overseas, the Stoxx Europe 600 slipped 0.4%. Early Wednesday, Japan's Nikkei 225 rose above 30000, gaining 0.7%. South Korea's Kospi was up 0.5%. But Hong Kong's Hang Seng Index and the Shanghai Composite were both down. S&P 500 futures rose 0.2%.

Index performance Tuesday



Source: FactSet

AUCTION RESULTS

Here are the results of Tuesday's Treasury auction. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

52-WEEK BILLS	
Applications	$94,189,808,600
Accepted bids	$40,712,708,600
" noncompetitively	$1,036,748,300
" foreign noncompetitively	$0
Auction price (rate)	95.303389 (4.645%)
Coupon equivalent	4.896%
Bids at clearing yield accepted	39.79%
Cusip number	912797FH5

The bills, dated May 18, 2023, mature on May 16, 2024.

Chinese Shares Listed on Swiss Exchange Stumble

By Dave Sebastian

Switzerland has become an alternative fundraising venue for Chinese companies wanting to sell shares abroad as U.S.-China tensions simmer.

There is one problem: Shares of most of the Chinese companies that listed on the SIX Swiss Exchange have fallen significantly since they priced their European stock offerings, and there has been very little trading in them.

Since last year, 13 companies from China have raised $4.3 billion by selling global depositary receipts in Switzerland. That dwarfs the $1 billion that Chinese companies raised via American initial public offerings since the start of 2022, according to Dealogic data. At least 30 more Chinese companies have applied to sell GDRs abroad, according to a review of regulatory filings conducted by Goldman Sachs's research analysts.

The Swiss listings are part of a stock link between China and Europe that began with the Shanghai-London Stock Connect in 2019. Under that program, companies already listed in mainland China or participating European exchanges can add listings on the other side. China's stock-market regulator early last year published revised rules to expand the link to include exchanges in the southern Chinese city of Shenzhen as well as in Germany and Switzerland. No European company has listed in China with the program so far.

The companies that added Swiss listings have included several makers of material for lithium batteries, a medical-technology company, a conglomerate that produces power tools and some renewable-energy businesses. They sold GDRs denominated in dollars, mostly to fund expansion plans. Chinese banks had key underwriting roles in the deals, overshadowing Western banks.

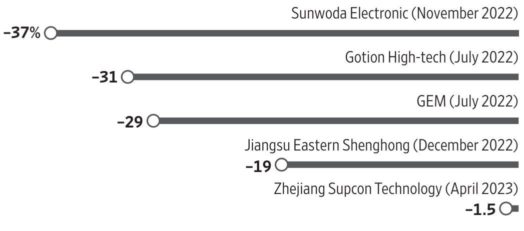
The overseas share sales were targeted at European investors who don't have easy access to mainland China's tightly controlled stock market, said Si Fu, a China equity portfolio strategist at Goldman Sachs. GDRs can be converted into their underlying Chinese A-shares after 120 days, which could explain some of the stock-price declines.

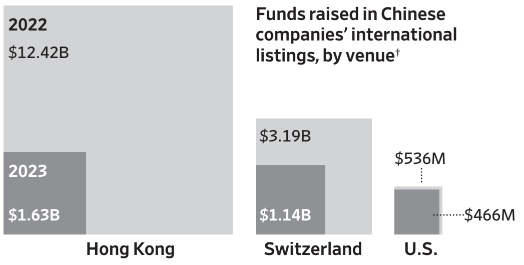
"It could be that investors are trading based on this event and selling the shares after the lockup ends," Ms. Fu said. "The market is worried about the potential selling."

Some traders and investors suspect that the Swiss listings have become a way for opportunistic market participants to buy GDRs in Switzerland and take short positions, or bearish bets, on the same companies' China A-shares. They would then collect profits from the declines via arbitrage trades.

—Jing Yang contributed to this article.

Performance of companies' China-listed shares after they sold GDRs in Switzerland*





*Shows stocks with the five largest Swiss listings, and when they debuted in Europe.
†2023 figures are through May 16; Swiss listings started on July 28, 2022.
Sources: FactSet, Dealogic (performance); Dealogic, SIX Group (funds raised)

Default Fears Hit T-Bills

Continued from page B1

tentially destabilizing a market that is part of the bedrock of the global financial system.

For individual investors, the prospect of a default undercuts the central appeal of Treasury debt, which is widely viewed as one of the most reliable of all assets. Financial textbooks treat a U.S. default as practically unthinkable. Wall Street uses Treasury yields as a stand-in for investment returns that are free of all risk.

"Treasurys are supposed to be the part of your portfolio you never really have to think about," said Anthony Saglimbene, chief markets strategist at Ameriprise Financial.

Even with the drop-dead date nearing, many analysts say that Republicans and Democrats will still find common cause to avoid a potential financial crisis. And most investors expect Treasury holders to eventually be paid back no matter what.

Still, some everyday investors who have waded into the market are now heading back to the sidelines.

Jose Fernandez, a 38-year-old software engineer from San Jose, Calif., sold most of his stockholdings about a year ago to prepare to buy a house, moving those funds into Treasurys for safekeeping.

Still waiting to find the right property deal, Mr. Fernandez has now stopped buying new Treasurys in recent weeks as he has followed the debt-ceiling debate. He is closing out on the sale of another house he owns in Minnesota and plans to put the proceeds in a bank account, not in Treasurys, until the situation in Washington is resolved.

"I'm an operations engineer, so I'm paid to be paranoid," he said.

Many professional investors who manage portfolios of short-term Treasury bills have grown concerned as well, taking pains to avoid holding the bills most likely to be affected by missed payments. That has led them to sell short-term bills coming due just after June 1, pushing their yields to some of the highest levels above those of other nearby Treasury maturities in recent history. A bond's yield rises as its price falls.

Given analysts' confidence that the Treasury would eventually make bond owners whole, Wall Street's more immediate concern is that fractures from a U.S. default could quickly ripple out across other markets. Missed payments on Treasurys might disrupt multitrillion-dollar global flows of short-term dollar borrowing, critical to how banks and companies worldwide fund their operations. Analysts also say many investors would flee from risky assets of all sorts, likely hurting stock prices.

"If we have a worst-case scenario with the debt ceiling, that puts us into a U.S. recession pretty imminently," said Adam Turnquist, chief technical strategist at LPL Financial.

New Highs and Lows

Continued From Page B10

Stock	Sym	52-Wk Hi/Lo	% Chg
ChimeraInvt	CIM	4.80	-2.2
CtznCmntyBcp	CZWI	7.73	-2.3
CityOfficePfdA	CIOpA	14.55	-0.4
ClarivatePfdA	CLVTpA	33.58	-4.8
ClipperRealty	CLPR	4.94	-1.6
CloopenGroup	RAAS	1.11	-1.7
CoherusBioSci	CHRS	4.56	5.9
CommScope	COMM	4.01	-7.3
CommWestBcshs	CWBC	10.56	-1.7
ContainerStore	TCS	2.67	-4.9
Cool	CLCO	11.00	-1.9
Cronos	CRON	1.68	-2.3
CrownCastle	CCI	111.35	-2.2
CuriosityStrmWt	CURIW	0.03	-23.1
CuriosityStream	CURI	0.90	-3.9
CytekBiosci	CTKB	6.83	-5.4
CyxteraTech	CYXT	0.16	-4.4
Danaher	DHR	224.32	-0.9
DeltaApparel	DLA	9.59	-3.0
DesignerBrands	DBI	7.26	0.7
DigitalMedia	DMS	0.35	-22.7
DimeCommBcshs	DCOM	15.57	-3.1
Doma	DOMA	0.31	-8.3
DouglasEmmett	DEI	10.23	-4.6

Stock	Sym	52-Wk Hi/Lo	% Chg
DuluthHoldings	DLTH	5.11	-2.8
EBET	EBET	0.21	-11.1
E-HomeHousehold	EJH	0.23	-6.7
EIDP$4.50Pfd	CTApB	74.25	-5.6
ESSA Bancorp	ESSA	12.80	-2.1
ESSTech	GWH	0.77	-8.1
EagleBancorp	EGBN	16.72	-3.7
Edgio	EGIO	0.51	-12.7
EducDev	EDUC	1.46	-5.5
eGain	EGAN	6.58	-2.5
ElectraBatteryMtls	ELBM	0.90	-21.4
ElmeComms	ELME	15.89	-2.0
EmpireStateReal250	FISK	4.78	-2.8
EmpireStateReal60	OGCP	5.05	-10.0
Endava	DAVA	48.09	-1.8
Energous	WATT	0.30	1.1
Enfusion	ENFN	7.37	-4.3
EvansBancorp	EVBN	23.45	-0.2
FARO Tech	FARO	10.30	-6.2
FLJ	FLJ	0.43	-16.5
FarmerBros	FARM	2.00	-4.7
FirstFoundation	FFWM	3.76	-4.3
FirstInternetNt29	INBKZ	18.37	-3.0
5EAdvMatls	FEAM	2.75	-10.2
Fluent	FLNT	0.56	-20.2
FortressBioPfdA	FBIOP	16.20	-3.6

Stock	Sym	52-Wk Hi/Lo	% Chg
Fossil	FOSL	1.92	-9.3
FourLeafAcqnWt	FORLW	0.11	-21.4
FrontierComms	FYBR	17.23	-6.5
Gap	GPS	7.48	-5.7
GenDigital	GEN	15.45	-5.8
GeneDx	WGS	6.31	-12.1
Genesco	GCO	29.79	-2.3
GenieEnergyPfd	GNEpA	8.17	-10.6
GladstoneComm	GOOD	10.84	-2.3
GlobusMaritime	GLBS	0.90	-2.2
GoldenMinerals	AUMN	0.16	-6.1
GoldmanSachsBDC	GSBD	12.75	-2.4
GranitePointPfdA	GPMTpA	15.62	-1.1
GreatAjax	AJX	5.15	0.2
GreenLightBio	GRNA	0.19	-8.7
GreystoneHousing	GHI	15.83	-0.7
GromSocialEnts	GROM	0.38	-9.8
Groupon	GRPN	2.89	-3.6
HainCelestial	HAIN	13.49	-4.3
HallofFameResort	HOFV	6.32	-4.5
HallmarkFin	HALL	2.56	-13.1
HancockNts2060	HWCPZ	19.63	-2.1
Hanesbrands	HBI	3.85	-4.7
HawaiianHoldings	HA	7.34	-3.7
HlthcrTrAmerPfdA	HTIA	15.55	0.1

Stock	Sym	52-Wk Hi/Lo	% Chg
HudsonPacProp	HPP	4.12	-5.1
Hydrofarm	HYFM	0.96	-9.5
HyzonMotors	HYZN	0.53	-13.7
IF Bancorp	IROQ	14.50	-3.1
icad	ICAD	1.05	-8.8
IndependenceContr	ICD	2.73	-3.8
IndLogistics	ILPT	1.65	-7.1
Ingevity	NGVT	52.15	-3.6
InovioPharm	INO	0.68	-8.8
Interface	TILE	6.51	-4.9
IntlFlavors	IFF	81.10	-3.8
Investar	ISTR	11.06	-1.6
Invitae	NVTA	1.16	-7.1
JamfHolding	JAMF	16.53	-2.6
Jewett-Cameron	JCTCF	4.72	-0.6
JianpuTech	JT	1.10	-4.4
KKR Nts 2061	KKRS	16.38	-4.1
KaryopharmTherap	KPTI	2.32	-4.0
KeurigDrPepper	KDP	31.84	-1.5
KilroyRealty	KRC	26.03	-4.8
KioraPharm	KPRX	2.14	-8.5
Knightscope	KSCP	0.49	-12.6
Koss	KOSS	3.73	-0.7
KronosWorldwide	KRO	7.76	-2.1
Kubient	KBNT	0.33	-19.1
LairdSuperfood	LSF	0.70	-2.8
Largo	LGO	3.90	-4.3
Leidos	LDOS	76.92	-1.8

Stock	Sym	52-Wk Hi/Lo	% Chg
LeviStrauss	LEVI	13.26	-3.4
Lindsay	LNN	116.16	-3.0
Lipocine	LPCN	3.35	-17.7
LoopMedia	LPTV	3.50	-1.6
Mytheresa	MYTE	3.82	-4.3
MarinSoftware	MRIN	0.56	-3.0
MedallionBkPfdF	MBNKP	18.60	-8.7
MetLife	MET	48.95	-2.7
micromobility.com	MCOM	0.55	-8.4
MiddlefieldBanc	MBCN	22.09	-1.5
MobileGlbEsports	MGAM	0.52	-0.4
ModularMed	MODD	0.84	-32.0
MontereyCapRt	MCACR	0.02	-35.7
Movano	MOVE	0.90	-15.0
MullenAuto	MULN	1.18	-2.4
NV5Global	NVEE	90.29	-0.8
NaborsIndustries	NBR	85.35	-5.7
NanoViricides	NNVC	1.04	-5.4
NationalFuelGas	NFG	50.40	-2.5
NauticusRobot	KITT	2.01	-5.5
NavideaBiopharm	NAVB	0.11	-1.3
NecessityRetail	RTL	4.49	-2.4
NeuroMetrix	NURO	0.93	-7.0
NewellBrands	NWL	8.73	-5.7
Nikola	NKLA	0.70	-7.0
9MetersBiopharma	NMTR	0.57	-3.7
NioCorpDevelopWt	NIOBW	0.49	-16.5
NioCorpDevts	NB	4.77	-7.8

Stock	Sym	52-Wk Hi/Lo	% Chg
Nokia	NOK	3.95	-2.7
Noodles	NDLS	3.65	-5.2
NorthwestPipe	NWPX	25.58	1.1
NovaBayPharm	NBY	0.66	-6.2
Nuburu	BURU	0.76	-5.2
OP Bancorp	OPBK	7.50	-1.1
OceanPal	OP	0.24	-2.4
OldPointFinl	OPOF	15.00	-3.1
OncologyInst	TOI	0.41	-3.8
OncoSecMed	ONCS	0.47	-32.8
1895Bancorp	BCOW	6.31	-0.2
180LifeSci	ATNF	0.94	-5.8
OrganiGram	OGI	0.44	-4.0
Organon	OGN	20.37	-2.1
OrionOffice	ONL	5.45	-1.3
OutfrontMedia	OUT	14.00	-2.9
Ovintiv	OVV	32.07	-4.1
Owlet	OWLT	0.26	-6.1
PENN Entmt	PENN	23.16	-5.5
PFSweb	PFSW	3.80	-1.7
ParamountPfdA	PARAP	22.76	-4.0
PayPal	PYPL	60.75	-2.3
Peraso	PRSO	0.30	-18.9
Pfizer	PFE	36.83	-0.4
PhenomeX	CELL	0.77	-8.4
PhunwareWt	PHUNW	0.18	3.8
PolyPid	PYPD	0.33	-5.6
PowerREIT	PW	1.91	-4.3

Stock	Sym	52-Wk Hi/Lo	% Chg
PowerREIT PfdA	PWpA	4.97	-2.6
PowerUpAcqn	PWUPU	9.95	-1.0
PremierFinl	PFC	13.60	-1.7
PresidioProperty	SQFT	0.83	0.9
PresidioPropPfdD	SQFTP	15.18	-9.9
PrincetonBncp	BPRN	23.49	0.4
ProvidentFin	PROV	12.28	-1.4
QuantaSing	QSG	7.55	-2.9
RealGoodFood	RGF	3.55	-1.1
RelayTherap	RLAY	9.67	-2.9
RetailOppor	ROIC	12.05	-3.6
RetractableTechs	RVP	1.27	-6.6
Revvity	RVTY	113.17	-0.9
RiverviewBncp	RVSB	4.17	-2.6
RubiconTechWt	RBT.WS	0.02	...
SES AI	SES	1.35	-6.8
SHF	SHFS	0.36	-7.1
SHF Wt	SHFSW	0.01	-2.5
SachemCapital	SACH	3.07	-3.8
SagaComm	SGA	20.09	-2.0
SallyBeauty	SBH	10.80	-3.0
SaratogaNts2028	SAZ	24.75	-0.4
SeaStarMedical	ICU	0.65	-23.1
SelinaHosp	SLNA	1.20	-0.8
SentiBiosciences	SNTI	0.93	-3.1
SharpLink	SBET	2.34	-8.6
ShuttlePharm	SHPH	1.06	-1.9
SigmaAdditive	SASI	0.31	-7.8

Stock	Sym	52-Wk Hi/Lo	% Chg
SleepNumber	SNBR	19.55	-7.6
Sohu.com	SOHU	12.26	0.2
SolidPower	SLDP	1.86	-4.1
SterlingBancorp	SBT	4.41	-0.9
StockYardsBncp	SYBT	41.71	-0.7
Stoneridge	SRI	14.20	-4.7
Stran	SWAG	1.02	-2.0
Strattec	STRT	16.79	0.1
StrongGlbEnt	SGE	3.36	-7.3
SunPower	SPWR	10.38	-4.1
SunRun	RUN	15.29	-7.8
TelusIntl	TIXT	16.54	-3.0
TraconPharm	TCON	0.62	-3.0
TSR	TSRI	6.00	-14.5
TTEC	TTEC	31.99	-3.4
TandemDiabetes	TNDM	29.63	-7.7
TaskUs	TASK	10.77	-4.4
TattooedChef	TTCF	0.61	-24.9
Team	TISI	3.53	-2.7
TempoAutomation	TMPO	0.25	-9.3
TenaxTherap	TENX	0.28	-13.6
TexasPacLand	TPL	1325.33	-3.2
ThermoGenesis	THMO	1.71	-0.8
3M	MMM	98.00	-2.5
TrailblazerI Rt	TBMCR	0.12	-13.3
Tredegar	TG	7.31	...
TritonIntlPfdE	TRTNpE	16.78	-2.3
Tronox	TROX	10.75	-4.8

Stock	Sym	52-Wk Hi/Lo	% Chg
Trupanion	TRUP	19.70	-1.2
22ndCentury	XXII	0.60	-4.0
UGI	UGI	27.23	-3.5
UGI Un	UGIC	66.95	-3.0
UPFintech	TIGR	2.55	-7.4
US Cellular	USM	14.46	-3.5
Ubiquiti	UI	168.72	-4.5
UnitedFire	UFCS	23.61	-2.4
UplandSoftware	UPLD	2.78	-3.1
Valhi	VHI	12.61	-0.9
ViaRenewablesPfdA	VIASP	10.08	-9.6
Victoria'sSecret	VSCO	24.78	-3.8
View	VIEW	0.20	-11.2
VornadoRealty	VNO	12.38	-4.5
VornadoPfdN	VNOpN	10.86	-2.8
VornadoPfdO	VNOpO	9.31	-5.6
VornadoPfdM	VNOpM	11.02	-1.6
Wang&Lee	WLGS	1.32	-2.2
WearableDevices	WLDS	0.40	-10.0
WeisMarkets	WMK	65.70	-2.8
WeTrade	WETG	0.03	-14.8
WeWork	WE	0.35	-7.5
WheelsUpWt	UP.WS	0.02	-26.8
XWELL	XWEL	0.22	-2.5
Xos	XOS	0.37	-11.0
YSBiopharma	YS	1.12	-2.4
Yellow	YELL	1.31	-2.2
ZynerbaPharm	ZYNE	0.33	-7.8
ZyVersaTherap	ZVSA	0.37	-11.8

Biggest 1,000 Stocks | WSJ.com/stocks

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Stock	Sym	Close	Net Chg
EliLilly	LLY	436.65	2.14
LincolnElectric	LECO	167.44	-2.29
Linde	LIN	365.90	-2.90
Littelfuse	LFUS	259.30	-1.72
LiveNationEnt	LYV	80.75	0.36
LloydsBanking	LYG	2.24	-0.05
LockheedMartin	LMT	447.73	-4.19
Loews	L	57.83	-0.55
LogitechIntl	LOGI	63.32	-0.53
Lowe's	LOW	199.22	-2.33
Lucid	LCID	6.98	-0.19
lululemon	LULU	371.52	-4.19
LyondellBasell	LYB	88.21	-1.89
M N			
M&T Bank	MTB	112.95	-1.94
MGM Resorts	MGM	41.15	-1.54
MPLX	MPLX	33.87	-0.04
MSCI	MSCI	456.98	-6.58
MagellanMid	MMP	61.38	-1.23
MagnaIntl	MGA	51.81	-1.65
ManhattanAssoc	MANH	170.95	-1.30
ManulifeFinl	MFC	19.12	-0.20
MarathonOil	MRO	21.97	-0.60
MarathonPetrol	MPC	106.75	-3.13
Markel	MKL	1357.31	-13.47
MarketAxess	MKTX	291.46	-2.11
Marriott	MAR	174.57	-0.93
Marsh&McLen	MMC	180.08	-1.51
▲ MartinMarietta	MLM	402.47	-2.09
MarvellTech	MRVL	41.67	-0.40
Masco	MAS	51.44	-0.93
Masimo	MASI	170.38	-2.92
MasTec	MTZ	95.65	-1.40
Mastercard	MA	380.24	-3.17
MatchGroup	MTCH	31.48	-0.96
Mattel	MAT	18.98	-0.22
McCormickVtg	MKC.V	89.49	-0.68
McCormick	MKC	89.70	-1.15
McDonald's	MCD	294.15	-1.75
McKesson	MCK	396.04	4.89
Medpace	MEDP	206.86	-4.02
Medtronic	MDT	88.90	-0.41
MercadoLibre	MELI	1275.39	-21.41
Merck	MRK	116.08	-0.29
MetaData	AIU	1.05	-0.01
MetaPlatforms	META	238.82	-0.04
▼ MetLife	MET	49.12	-1.36

Stock	Sym	Close	Net Chg
Mettler-Toledo	MTD	1372.89	-13.11
MicrochipTech	MCHP	74.05	-1.33
MicronTech	MU	63.73	-0.91
▲ Microsoft	MSFT	311.74	2.28
MidAmApt	MAA	148.51	-3.77
Middleby	MIDD	137.27	-4.01
MitsubishiUFJ	MUFG	6.70	-0.06
MizuhoFin	MFG	3.00	0.04
Mobileye	MBLY	37.64	-0.65
Moderna	MRNA	125.11	-5.15
MolinaHealthcare	MOH	288.29	-4.66
MolsonCoorsB	TAP	63.19	-0.51
MolsonCoorsA	TAP.A	66.01	...
monday.com	MNDY	149.84	-2.96
Mondelez	MDLZ	77.80	0.07
MongoDB	MDB	275.48	-0.69
MonolithicPower	MPWR	402.54	-10.02
MonsterBev	MNST	59.94	0.22
Moody's	MCO	307.43	-3.65
MorganStanley	MS	81.86	-1.09
Morningstar	MORN	192.26	-0.09
Mosaic	MOS	35.26	-1.34
MotorolaSol	MSI	291.38	-0.50
NICE	NICE	184.17	-1.66
NIO	NIO	7.91	-0.34
NNN REIT	NNN	43.30	-0.85
NRG Energy	NRG	33.51	-0.27
NVR	NVR	5887.48	-11.34
NXP Semi	NXPI	165.89	-2.04
Nasdaq	NDAQ	54.54	-0.63
NationalGrid	NGG	72.84	-0.71
▲ NatlInstruments	NATI	57.98	-0.09
NatWest	NWG	6.60	-0.08
NetApp	NTAP	64.05	-0.70
NetEase	NTES	89.64	-0.24
Netflix	NFLX	333.75	-2.14
Neurocrine	NBIX	94.33	-3.82
NewOrientalEduc	EDU	39.50	0.11
NY CmntyBcp	NYCB	10.18	-0.13
Newmont	NEM	45.12	-1.97
NewsCorp B	NWS	18.47	-0.41
NewsCorp A	NWSA	18.37	-0.40
NextEraEnergy	NEE	75.84	-1.70
Nike	NKE	116.48	-3.35
NiSource	NI	27.54	-0.50
▼ Nokia	NOK	3.95	-0.11
Nomura	NMR	3.59	-0.07
Nordson	NDSN	214.18	-2.61
NorfolkSouthern	NSC	212.46	-0.46

Stock	Sym	Close	Net Chg
NorthernTrust	NTRS	69.65	-1.19
NorthropGrum	NOC	435.63	-3.74
Novartis	NVS	102.81	-0.31
NovoNordisk	NVO	167.66	-1.77
Novocure	NVCR	80.64	2.82
▲ NuHoldings	NU	6.10	0.01
Nucor	NUE	136.78	-3.70
Nutrien	NTR	62.06	-0.16
nVentElectric	NVT	40.48	-0.95
▲ NVIDIA	NVDA	292.13	2.60
O P Q			
OGE Energy	OGE	36.63	-0.58
ONEOK	OKE	56.58	-1.37
ON Semi	ON	83.04	0.65
OReillyAuto	ORLY	937.55	-7.73
OccidentalPetrol	OXY	58.14	-0.38
Okta	OKTA	78.11	-0.27
OldDomFreight	ODFL	298.43	-8.05
OldRepublic	ORI	25.50	-0.16
Olin	OLN	51.64	-1.43
OmegaHealthcare	OHI	29.02	-0.60
Omnicom	OMC	91.88	0.16
OnHolding	**ONON**	**30.19**	**-3.25**
OpenText	OTEX	40.75	...
▲ Oracle	ORCL	98.25	0.99
Orange	ORAN	12.49	-0.08
Orix	IX	88.00	0.03
OtisWorldwide	OTIS	82.94	-1.57
▼ Ovintiv	OVV	32.08	-1.36
OwensCorning	OC	106.66	-0.68
PDD	PDD	66.01	-0.06
PG&E	PCG	16.86	-0.21
PNC Finl	PNC	111.59	-2.08
POSCO	PKX	68.24	-0.80
PPG Ind	PPG	139.33	-1.30
PPL	PPL	27.57	-0.57
PTC	PTC	129.73	-1.05
Paccar	PCAR	70.52	-2.03
PackagingCpAm	PKG	127.00	-3.44
PalantirTech	PLTR	9.47	-0.05
PaloAltoNtwks	PANW	191.43	-1.57
ParamountA	PARAA	17.15	-0.80
ParamountB	**PARA**	**14.95**	**-0.86**
ParkerHannifin	PH	321.54	-6.16
Paychex	PAYX	106.06	-2.11
PaycomSoftware	PAYC	265.29	-6.43
Paylocity	PCTY	168.14	-1.29
▼ PayPal	PYPL	60.80	-1.45

Stock	Sym	Close	Net Chg
Pearson	PSO	10.19	-0.02
PembinaPipeline	PBA	31.19	-1.11
PenskeAuto	PAG	137.22	-2.95
Pentair	PNR	58.38	-0.74
Penumbra	PEN	315.78	0.86
PepsiCo	PEP	193.43	-0.84
PerformanceFood	PFGC	58.32	-1.25
PetroleoBrasil	PBR	11.78	0.09
PetroleoBrasilA	PBR.A	10.65	0.14
▼ Pfizer	PFE	37.01	-0.15
PhilipMorris	PM	93.86	-1.14
Phillips66	PSX	91.89	-2.33
PinnacleWest	PNW	78.63	-1.52
Pinterest	PINS	21.59	-0.46
PioneerNatRscs	PXD	201.18	-5.60
PlainsAllAmPipe	PAA	12.97	-0.33
PlainsGP	PAGP	13.52	-0.33
PolestarAuto	PSNY	3.25	-0.03
Pool	POOL	340.53	-0.53
Primerica	PRI	180.46	-1.43
PrincipalFinl	PFG	67.26	-1.49
ProcoreTech	PCOR	54.60	-1.50
Procter&Gamble	PG	155.74	-0.27
Progressive	PGR	129.76	-2.24
Prologis	PLD	121.25	-4.03
PrometheusBio	RXDX	192.53	-1.90
PrudentialFinl	PRU	78.04	-1.36
Prudential	PUK	28.39	-0.98
PublicServiceEnt	PEG	61.76	-0.79
PublicStorage	PSA	288.85	-5.14
▲ PulteGroup	PHM	69.36	0.81
PureStorage	PSTG	23.69	0.07
Qiagen	QGEN	45.25	-0.11
Qorvo	QRVO	90.59	-2.43
Qualcomm	QCOM	103.79	-2.49
QualtricsIntl	XM	17.93	-0.03
QuantaServices	PWR	169.69	-5.12
QuestDiag	DGX	130.56	-1.84
R S			
RBC Bearings	RBC	220.71	-0.90
RELX	RELX	30.88	-0.06
R1 RCM	RCM	16.50	0.10
RPM	RPM	78.90	-1.84
RalphLauren	RL	109.48	-3.77
RangeResources	RRC	27.19	-0.20
RaymondJames	RJF	85.73	-0.89
RaytheonTech	RTX	95.46	-1.24
RealtyIncome	O	60.29	-1.65
RegalRexnord	RRX	125.61	-1.97
RegencyCtrs	REG	57.02	-2.11

Stock	Sym	Close	Net Chg
RegenPharm	REGN	742.28	-8.68
RegionsFin	RF	15.88	-0.28
ReinsGrp	RGA	147.65	-1.51
RelianceSteel	RS	240.32	-1.33
RenaissanceRe	RNR	198.78	-4.98
▲ RentokilInit	RTO	40.57	-0.01
Repligen	RGEN	151.85	-2.18
RepublicSvcs	RSG	146.74	-1.07
ResMed	RMD	228.73	-3.76
RestaurantBrands	QSR	73.20	0.14
▼ Revvity	RVTY	114.21	-1.03
RexfordIndlRealty	REXR	54.03	-1.21
RioTinto	RIO	61.41	-1.50
RitchieBros	RBA	52.12	-1.16
Rivian	RIVN	13.08	-0.36
RobertHalf	RHI	66.20	-1.44
Robinhood	HOOD	8.35	-0.30
Roblox	RBLX	39.25	0.28
RocketCos.	RKT	7.96	-0.26
Rockwell	ROK	269.98	-4.16
RogersComm B	RCI	49.10	...
RoivantSciences	ROIV	8.74	-0.41
Roku	ROKU	52.23	-1.79
Rollins	ROL	41.98	-0.35
RoperTech	ROP	459.83	-2.05
RossStores	ROST	102.93	-1.46
RoyalBkCanada	RY	95.19	-2.03
RoyalCaribbean	RCL	76.46	0.34
RoyalGold	RGLD	134.19	-3.14
RoyaltyPharma	RPRX	33.23	-1.10
RyanSpecialty	RYAN	44.10	0.06
▲ Ryanair	RYAAY	100.80	0.19
SAP	SAP	133.16	1.86
S&P Global	SPGI	358.65	-2.83
SBA Comm	SBAC	231.79	-3.49
SEI Investments	SEIC	57.31	-1.21
SK Telecom	SKM	20.34	-0.58
SS&C Tech	SSNC	54.64	-0.64
STAG Indl	STAG	34.23	-0.57
Saia	SAIA	270.82	-5.60
Salesforce	CRM	204.56	1.23
Samsara	IOT	19.67	-0.58
Sanofi	SNY	54.55	0.01
SareptaTherap	**SRPT**	**149.14**	**-8.05**
Sasol	SSL	12.05	-0.32
Schlumberger	SLB	43.25	-1.35
SchwabC	SCHW	50.09	-0.85
Sea	**SE**	**72.45**	**-15.62**
Seagate	STX	60.80	-0.26
Seagen	**SGEN**	**187.64**	**-11.91**
Sempra	SRE	145.50	-5.03

Stock	Sym	Close	Net Chg
SensataTech	ST	40.29	-0.86
ServiceCorp	SCI	64.99	-0.62
ServiceNow	NOW	468.24	5.10
Shell	SHEL	59.91	-1.01
SherwinWilliams	SHW	222.22	-4.38
ShinhanFin	SHG	25.69	-0.61
ShockwaveMed	SWAV	278.39	-0.03
Shopify	SHOP	60.12	-1.46
SimonProperty	SPG	103.73	-3.20
SiriusXM	SIRI	3.54	-0.05
SiteOneLandscape	SITE	148.27	-2.57
SkechersUSA	SKX	53.45	-1.29
Skyworks	SWKS	96.43	-3.06
SmithAO	AOS	67.21	-0.99
Smith&Nephew	SNN	32.50	0.23
Smucker	SJM	154.91	-0.60
Snap	SNAP	8.61	-0.09
Snap-On	SNA	254.59	-3.18
Snowflake	SNOW	171.71	-0.34
SOQUIMICH	SQM	73.53	0.16
SolarEdgeTech	SEDG	295.12	-12.20
Sony	SONY	93.81	-0.86
Southern	SO	70.90	-1.52
SoCopper	SCCO	69.44	-2.86
SouthwestAir	LUV	28.54	-0.51
Splunk	SPLK	88.47	-0.28
Spotify	SPOT	146.32	2.10
StanleyBlackDck	SWK	78.75	-0.34
Stantec	STN	58.29	-0.28
Starbucks	SBUX	105.28	-1.36
StateStreet	STT	66.66	-1.34
SteelDynamics	STLD	95.48	-2.54
Stellantis	STLA	15.84	-0.26
Steris	STE	207.93	-2.90
Stevanato	STVN	27.38	0.23
STMicroelec	STM	42.49	-0.01
Stryker	SYK	285.94	-2.98
SumitomoMits	SMFG	8.40	-0.21
SunComms	SUI	130.86	-3.46
SunLifeFinancial	SLF	49.02	-0.24
SuncorEnergy	SU	28.15	-0.92
▲ **SuperMicroComp**	**SMCI**	**145.84**	**8.00**
Suzano	SUZ	8.80	0.05
Symbotic	SYM	24.50	-0.10
SynchronyFinl	SYF	27.88	-0.09
Synopsys	SNPS	375.14	1.86
Sysco	SYY	73.42	-1.03
T U V			
TC Energy	TRP	40.23	-1.34
TD Synnex	SNX	88.08	-0.47

Stock	Sym	Close	Net Chg
TE Connectivity	TEL	120.01	-1.90
Telus	TU	20.36	-0.23
Ternium	TX	37.96	-0.07
TFI Intl	TFII	106.15	-0.88
TIM	TIMB	14.06	-0.12
TJX	TJX	78.22	-1.03
T-MobileUS	TMUS	143.70	-0.92
TPG	TPG	27.27	-0.52
T.RowePrice	TROW	104.10	-2.19
TaiwanSemi	TSM	85.88	0.22
TakeTwoSoftware	TTWO	124.05	-1.02
TakedaPharm	TAK	16.45	-0.07
Tapestry	TPR	41.91	-1.14
TargaResources	TRGP	68.51	-2.27
Target	TGT	156.91	-2.58
TeckResourcesB	TECK	43.22	-1.65
TeledyneTech	TDY	409.96	-4.71
Teleflex	TFX	246.71	-1.60
Ericsson	ERIC	5.18	-0.12
TelefonicaBras	VIV	8.40	-0.10
Telefonica	TEF	4.25	0.02
TelekmIndonesia	TLK	26.94	-0.20
TempurSealy	TPX	38.31	-0.84
Tenaris	TS	26.15	-0.47
TencentMusic	TME	7.67	-0.29
TenetHealthcare	THC	71.50	0.41
Teradyne	TER	93.43	-0.79
Tesla	TSLA	166.52	0.17
TetraTech	TTEK	140.49	-3.60
TevaPharm	TEVA	8.13	0.06
TexasInstruments	TXN	163.38	-1.88
▼ TexasPacLand	TPL	1326.68	-43.90
TexasRoadhouse	TXRH	109.78	1.69
Textron	TXT	63.23	-0.91
ThermoFisher	TMO	519.75	-3.93
ThomsonReuters	TRI	124.79	1.13
▼ 3M	MMM	98.01	-2.48
Toast	TOST	18.73	-0.70
Toll Bros	TOL	65.33	0.48
TopBuild	BLD	210.68	-3.78
Toro	TTC	102.66	-2.40
TorontoDomBk	TD	60.45	-1.13
TotalEnergies	TTE	59.60	-1.29
ToyotaMotor	TM	141.13	-1.27
TractorSupply	TSCO	226.30	-5.23
TradeDesk	TTD	64.14	0.16
Tradeweb	TW	72.61	-0.95
TraneTech	TT	172.87	-5.28
▲ TransDigm	TDG	807.07	-1.07
TransUnion	TRU	68.46	-0.31
Travelers	TRV	181.51	-1.30
Trimble	TRMB	46.70	-1.11

Stock	Sym	Close	Net Chg
Trip.com	TCOM	33.95	-0.29
TruistFinl	TFC	27.17	-0.70
Twilio	TWLO	47.36	-0.02
TylerTech	TYL	386.87	-6.86
TysonFoods	TSN	49.20	-0.27
UBS Group	UBS	19.10	-0.28
UDR	UDR	40.38	-0.87
U-Haul	UHAL	61.29	-0.39
U-Haul N	UHAL/B	53.73	-0.65
US Foods	USFD	40.36	0.18
UWM	UWMC	5.08	-0.09
Uber	UBER	37.44	-0.70
▼ Ubiquiti	UI	168.89	-8.01
UiPath	PATH	14.90	0.09
UltaBeauty	ULTA	498.99	-16.98
Unilever	UL	53.94	-0.33
UnionPacific	UNP	196.87	-2.77
UnitedAirlines	UAL	45.35	0.15
UnitedMicro	UMC	7.89	...
UPS B	UPS	166.61	-2.24
UnitedRentals	URI	326.53	-10.40
US Bancorp	USB	28.68	-0.97
UnitedTherap	UTHR	212.05	-2.35
UnitedHealth	UNH	479.72	-7.14
UnitySoftware	**U**	**28.15**	**-1.85**
UnivDisplay	**OLED**	**148.63**	**9.12**
UniversalHealthB	UHS	134.41	-3.65
UnumGroup	UNM	44.54	-0.09
VF	VFC	20.60	-1.06
VICI Prop	VICI	31.10	-0.72
VailResorts	MTN	237.69	-5.59
Vale	VALE	13.69	-0.39
ValeroEnergy	VLO	109.64	-3.27
Valvoline	VVV	38.29	-0.12
VeevaSystems	**VEEV**	**167.62**	**-8.93**
Ventas	VTR	45.63	-1.55
VeriSign	VRSN	224.47	-1.62
▲ VeriskAnalytics	VRSK	218.11	3.12
Verizon	VZ	36.05	-0.72
VertexPharm	VRTX	345.15	-3.50
Viatris	VTRS	9.15	-0.22
▲ Vipshop	VIPS	16.21	0.40
Visa	V	230.47	-2.34
Vistra	VST	24.35	-0.45
VMware	VMW	123.27	-0.90
Vodafone	**VOD**	**10.24**	**-0.98**
VoyaFinancial	VOYA	69.05	-0.83
VulcanMatls	VMC	195.01	-1.16
W X Y Z			
WEC Energy	WEC	90.10	-2.21

Stock	Sym	Close	Net Chg
WEX	WEX	172.59	-3.00
W.P.Carey	WPC	69.46	-1.69
WPP	WPP	54.88	-1.31
Wabtec	WAB	96.66	-1.67
WalgreensBoots	WBA	31.35	-0.15
Walmart	WMT	149.78	-2.10
WarnerBrosA	**WBD**	**12.15**	**-0.66**
WarnerMusic	WMG	25.50	-0.84
WasteConnections	WCN	142.14	-1.47
WasteMgt	WM	167.73	-0.85
Waters	WAT	266.20	-7.10
Watsco	WSO	333.25	-2.52
WellsFargo	WFC	38.39	-0.38
Welltower	WELL	77.53	-2.60
WescoIntl	WCC	128.06	-4.18
WestFraserTimber	WFG	75.37	-0.28
WestPharmSvcs	WST	354.56	-0.62
WesternDigital	WDC	36.61	-0.14
WesternMidstrm	WES	25.73	-0.32
Westlake	WLK	113.19	-2.10
WestRock	WRK	26.88	-0.98
Weyerhaeuser	WY	29.31	-0.77
WheatonPrecMet	WPM	49.63	-1.16
Whirlpool	WHR	128.11	-3.20
Williams	WMB	28.65	-0.45
Williams-Sonoma	WSM	111.66	-4.78
WillisTowers	WTW	227.39	-2.36
WillScotMobile	WSC	44.18	-0.44
Wipro	WIT	4.66	-0.05
WoodsideEnergy	WDS	22.38	-0.57
Woodward	WWD	108.33	-0.49
WooriFin	WF	26.49	-0.36
Workday	WDAY	185.31	-0.15
WW Ent	WWE	108.84	1.65
WynnResorts	WYNN	103.05	-2.66
XP	XP	15.96	0.21
XcelEnergy	XEL	66.59	-1.32
XPeng	XPEV	9.51	-0.29
Xylem	XYL	103.26	-1.38
YPF	YPF	10.80	-0.33
Yum!Brands	YUM	138.78	1.00
YumChina	YUMC	61.36	-0.55
ZTO Express	ZTO	28.50	-0.66
ZebraTech	ZBRA	266.38	-4.32
Zillow C	Z	44.95	-0.67
Zillow A	ZG	44.18	-0.59
ZimmerBiomet	ZBH	134.84	-1.98
Zoetis	ZTS	181.45	-2.40
ZoomVideo	ZM	65.99	-0.04
ZoomInfoTech	ZI	22.75	0.98
Zscaler	ZS	118.35	-2.46

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Cars Could Keep the U.S. Humming

What Americans are spending their money on is changing. But they keep spending more, nonetheless. And in one crucial category, there is reason to believe growth is just getting started.

The Commerce Department on Tuesday reported retail sales rose a seasonally adjusted 0.4% in April from a month earlier after slipping 0.7% in March. That was less than the 0.8% economists polled by The Wall Street Journal expected. But sales excluding gasoline stations, car dealers, building-materials stores and food services—the so-called control group that economists use to track the underlying pace of consumer spending— rose 0.7%. That put control spending above its first-quarter average, setting the stage for another quarter of spending gains.

JUSTIN SULLIVAN/GETTY IMAGES

Sales gains at motor-vehicle dealers seem likely to continue, and strengthen, in the months ahead.

The report showed how the contours of consumer spending continue to shift. Sales at furniture and home-furnishing stores, department stores and electronics and appliance stores, all of which were pandemic beneficiaries, fell. Sales at food services and drinking places rose.

Sales at motor-vehicle dealers rose a bit, increasing by 0.1% from a month earlier. Gains there seem likely to continue, and strengthen, in the months ahead, providing support for spending and the economy.

The word "recession" is on a lot of lips lately, what with the Federal Reserve's sharp increases in interest rates over the past year and the travails of the banking sector, but in some respects the auto industry has only just begun to pull out of its pandemic-triggered downturn.

Last year, there were 13.75 million cars, pickup trucks and other light vehicles sold in the U.S., the fewest since 2011, when auto sales were still pulling out of the financial crisis. Lately, with supply chains steadier and vital semiconductor chips more widely available, sales have been making a comeback.

Through the first four months of the year, Commerce Department figures show that 15.41 million light vehicles have been sold at a seasonally adjusted, annual rate.

Even that is relatively low, however. In 2019, 16.9 million light vehicles were sold. And considering how many people have been holding on to their cars longer than they usually would, sales could feasibly go higher than they were before the pandemic.

Raise your hand if you got a friendly call from the dealership last year offering to buy your vehicle at a prime price, but when you asked if there was anything available to replace it with, the conversation basically ended.

Light-vehicle sales

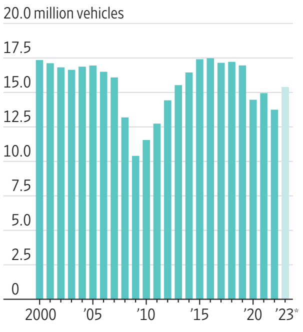


*Figure is for the first four months of the year, at a seasonally adjusted, annual rate
Source: Commerce Department

Moreover, a lot of people still have the means to buy a car.

Recent research from the Federal Reserve Bank of San Francisco suggests that the excess of savings households built up after the pandemic hit can continue to support spending through at least the fourth quarter of this year.

And with the unemployment rate at just 3.4%, a lot of people need wheels to get to work.

In the 50-plus years of available data from the Commerce Department, there has never been a recession in the U.S. without a decline in new vehicle sales.

The distortions to the economy the pandemic created mean that nobody should put too much trust in past historical relationships, but it is still something to think about.

—Justin Lahart

Gene-Therapy Investors Get a Powerful Ally

Imagine for a moment that you are an expert at a Food and Drug Administration advisory-panel meeting trying to decide whether to vote in favor of a drug for a rare disease that robs boys of their ability to walk, killing many of them by the time they reach young adulthood.

During the meeting, you hear testimonials from doctors and patients, including a video showing a boy riding his bike years after receiving the therapy for the disease, known as Duchenne muscular dystrophy. At the same meeting, you hear from FDA staff who warn you that the studies conducted by **Sarepta Therapeutics** don't provide clear evidence that the drug is beneficial. They highlight some safety concerns.

Would you vote in favor or against? The FDA's external advisers were nearly split during a meeting on Friday, with eight voting in favor and six against approving the therapy. Many of those voting in favor expressed some reservations, but they were swayed in part by anecdotal evidence and testimony by the doctors treating those patients. They behaved rationally within the parameters of a process that allows the FDA to fast-track certain drugs before it is clear whether they work. By a certain logic, as long as the drug's safety profile isn't too bad, there is less to lose in voting for approval than voting against it. If you voted to approve a drug and it turned out not to work, at least you gave desperate patients a chance. If you voted against, your decision potentially cost lives.

Dr. Raymond Roos, a neurology professor at the University of Chicago Medical Center, summarized his thought process: "The downside of the gene therapy here is relatively small compared to whether it really helps the patient, and for this reason, I voted yes."

That logic helped secure a big win for Sarepta and patients suffering from the illness. While the FDA, which must now make a decision by May 29, doesn't have to follow advisory panels' recommendations, it often does. On Wall Street, Sarepta was being touted as a major takeover target. Its stock jumped 31% on Monday, and though it fell back 5% on Tuesday, it now has a market value of nearly $13.9 billion.

Other companies in the gene-therapy and editing space rose. Zhiqiang Shu, a Berenberg Bank biotechnology analyst, says one potential suitor could be **Roche**, which has rights to the drug outside the U.S. Mr. Shu explains the drug industry has to weigh the large opportunity against the challenges of entering gene therapy, which include an uncertain insurance landscape (the drug will probably cost over $1 million) and manufacturing complexities.

Still, there are plenty of reasons for those companies and their investors to be enthusiastic about the field. For starters, there is the committed group of patients putting tremendous pressure on the FDA to approve these drugs. "There was little chance the vote would have been positive if not for the engagement by patient advocates during the whole development and review process," wrote Tim Lugo, an analyst at William Blair.

A committed group of patients is putting pressure on the FDA to approve these drugs.

And once a drug is approved, Washington's tough posture on drug prices counterintuitively helps too. The Inflation Reduction Act, which for the first time allows Medicare to negotiate the price of some blockbuster drugs, exempts drugs such as Sarepta's therapy that are approved for a single rare disease. Furthermore, says Michael Clulow, senior portfolio manager at EFG New Capital, creating awareness around your drug is easier when dealing with families who are desperate and very engaged.

"You are marketing a drug for millions of dollars to a very concentrated user group," Mr. Clulow says. "And these patients are typically funneled into specialty centers. So that makes it extremely easy to hire 50 sales reps and create billions of dollars in sales over time."

Sarepta is far from being in the clear. The company is expecting to publish results from a large, randomized placebo-controlled study around the end of this year. Under the fast-track approval process, if that study fails, the FDA could tell the company to pull the drug from the market. Senior FDA official Peter Marks insists the agency can do that, and he can point to a recently passed law that gave the agency broader authority amid concerns many companies were dragging their feet to complete confirmatory trials. One such company arguably is Sarepta, which has yet to complete confirmatory studies despite receiving its first accelerated approval for another drug for Duchenne muscular dystrophy back in 2016.

Lacking any other effective treatment for this devastating disease, these boys and their families are a powerful force driving the drug-approval process. The FDA advisers' decision shows that when it comes to gene therapies, investors need to know that patient voices are no less important than clinical-trial data.

—David Wainer

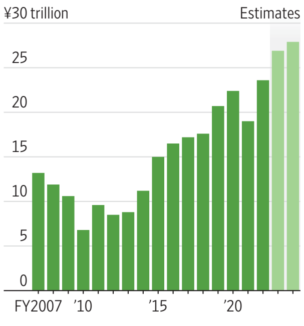
Japanese Stocks Have a Fan in Buffett

"This time is different" are the four most dangerous words in investing. But Japanese investors have reasons to be confident that positive changes are afoot in the market.

Japanese stocks have reached their highest level since 1990, when the country's famous asset bubble was deflating. The Topix index has gained 12% this year, putting it among the best-performing markets in the world in 2023. And even renowned investor Warren Buffett has cast his vote of confidence in the market—his investment flagship **Berkshire Hathaway** now owns more stocks in Japan than any other country outside of the U.S.

But longtime investors in Japanese stocks may wonder if the current rally is different from all the false dawns they have seen in the past three decades. There are indeed grounds for optimism.

Total dividends and buybacks for Topix constituents



Note: ¥1 trillion = $7.35 billion; fiscal year ends March 31
Source: Jefferies

For one, the push to improve corporate governance, kick-started by former Prime Minister Shinzo Abe, is bearing fruit. Shareholder activism is rising and the most salient outcome is increased cash returns to shareholders. Total payouts from buybacks and dividends rose to record levels last year and the earnings season currently under way will likely bring another record. For example, **Mitsubishi**, one of the five Japanese trading companies owned by Berkshire, announced a $2.2 billion buyback last week.

While buybacks are common in the U.S., the increased payouts are a much bigger deal for Japanese companies, which are sitting on a big pile of cash. According to Jefferies, nearly half of Japanese companies have net cash on their balance sheets, versus 22% in the U.S. The more-generous payouts have already resulted in a decline in aggregate cash held by nonfinancial companies in the Topix index for the first time since 2011, though they still have around $1 trillion of cash on their balance sheet, Jefferies said.

And Japanese companies are increasingly unwinding cross-shareholdings, or stakes they hold in each other, to boost returns to investors. These cross-shareholdings depress returns on equity and hence valuations. About 54% of companies in the Topix index are trading below book value, compared with just 7% in the S&P 500, according to Jefferies. Earlier this year, the Tokyo stock exchange urged companies that trade below their book values to come up with their plans to improve capital returns.

As Japanese companies unwind unproductive cross-ownership webs and boost payouts, investors will continue to grow more willing to pay up for them. This time may indeed be different. *—Jacky Wong*

Home Improvement Isn't What It Used To Be

Home Depot signals spending weakness on house projects

The home-improvement party is taking a pause.

Home Depot reported on Tuesday that comparable-store sales declined 4.5% from a year earlier in its quarter ended April 30, worse than the 1.7% decline Wall Street analysts polled by Visible Alpha expected.

This marks the second consecutive quarter of year-over-year declines, notable for a company that hasn't seen such on-year decreases since the recession of 2007-09.

The retailer said sales fell below expectations primarily because of lumber deflation and unfavorable weather—including extreme weather events in California. Demand for big-ticket, discretionary items that were in high demand during the pandemic—such as patio furniture, grills and appliances—was weak. The company said consumers appear to be moving away from large projects to smaller ones, or breaking projects into chunks.

Still, comparable-store sales rose for necessity-driven categories such as building materials, hardware, plumbing and millwork. The one bright spot was Home Depot's ability to control what it can: Despite softening demand, the company has been able to keep operating margins near 15%.

Indicators for home-improvement spending look mixed. On one hand, rising mortgage rates are discouraging households from selling or buying homes.

Home values, which Home Depot said have the tightest correlation to home improvement spending, have shown early signs of weakening. The median price of homes sold declined 9% in the first three months of this year compared with the final quarter of 2022, according to the Census Bureau.

On the other hand, there is a chronic shortage of new housing stock, which means homes continue to age. Notably, 62% of homes were 32 years or older in 2021, up from 55% a decade earlier, according to the U.S. Census Bureau. Families may stay put in their homes, but their needs keep changing with new children or aging relatives, which creates a need for home improvement.

Home Depot is seeing enough of a demand slowdown that it now expects sales to decline between 2% and 5% this fiscal year, markedly worse than the flat guidance the company gave three months ago.

Home Depot sees this year as a "transitional period" and says it is bullish on the medium-to-long-term outlook, pointing out that homeowners—its primary customer base—have seen home values skyrocket since 2019.

The question for investors is how long this transition might last, and whether even small declines in home values might erode consumer demand in the coming quarters. The foundations for strong home improvement demand are still there but small cracks, some of which were on display last quarter, could still undermine it.

—Jinjoo Lee

MARIO TAMA/GETTY IMAGES

Comparable-store sales rose for necessities such as building materials.